ALBERTA ACCOMMODATION INDUSTRY STUDY

VOLUME I

Prepared By:
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May 1978

Pannell Kerr Forster & Associates

MANAGEMENT CONSULTANTS

Associate firm: Campbell Sharp & Associates

May 15, 1978

Research and Analysis Branch
Alberta Department of Business
Development and Tourism
Capitol Square Building, 19th Floor
10065 Jasper Avenue
EDMONTON, Alberta
T5J 0H4

Attention: Mr. E. G. Shaske, Executive Director

Gentlemen:

In accordance with the terms of our agreement, we have completed our field work and analysis on the commercial accommodation industry in the Province of Alberta, and present on the following pages of our two volume report the results of this study.

The entire study, including all conclusions and recommendations, pertains only to the locations as described and is based on our present knowledge and information with respect to current and projected economic data, sources of lodging supply and demand, proposed accommodation construction and the status of the competitive market at the completion of our field work on August 31, 1977. Likewise, conclusions and recommendations on the accommodation industry's operating environment were based on information gathered during this same time frame. With respect to economic factors, no account has been made for the effect of any sharp rise or decline in local, provincial or national economic conditions that could affect accommodation demand.

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We would like to stress that the financial models contained in Appendix 3 of Volume I: Industry Definition are intended to reflect only the conditions as set forth for each model and are not to be universally applicable. They are intended, rather, for use as a guide for interested parties in preparing or reviewing pro forma statements for a specific accommodation project in the Province of Alberta.

This report has been prepared solely for the use and guidance of officials in the Department of Business Development and Tourism - Travel Alberta in assessing the need for new lodging developments and the improvements required to the current operating environment of the accommodation industry in Alberta. In addition, the degree and type of encouragement and co-operation necessary from both the public and private sectors have been provided in this study.

In regard to these developments, our recommendations have been made on the basis of available economic and industry operational information and upon the current and projected supply of and demand for lodging facilities. No attempt has been made to evaluate the economic or financial feasibility of any such recommendations nor should any be inferred. This report is not intended to supplant the need for market and economic feasibility studies for specific accommodation projects on specific sites nor cost-benefit analyses of industry improvement vehicles or strategies.

It is understood that neither our name nor the material submitted herein may be included in any prospectus or used in any offering or representation in connection with the sale of securities or participation interests to the public.

This study was initiated to provide a better understanding for all concerned parties of the Alberta accommodation industry within its overall economic and operational context. It does not claim to have fully exhausted the subject but it nevertheless presents a thorough examination of the industry in the Province of Alberta. In this respect, we would be pleased to hear from you if we may be of further assistance in the interpretation or application of this study.

Yours very truly,

Pannell Kerr Forster & Associates

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VOLUME I

INDUSTRY DEFINITION

"Strictly speaking, tourism like recreation, is not an industry: it is an _activity_; but, in economic terms, it creates a demand or provides a market for a number of quite separate and varied industries...If we look at tourism in economic terms, i.e. demand (or production) and supply, we can divide tourism into two sectors, the _dynamic_ sector and the _static_ sector. Within the dynamic sector fall the economic activities of (i) the formation of the commodity, (ii) the motivation of demand and (iii) the provision of transport. Translated into practical terms, the dynamic aspects embrace the activities of tour operators, travel agents, transport undertakers and ancillary agencies. The static sector looks after the 'sojourn' part of tourism, the demand for accommodation, food and refreshment in the main; the chief provider of which is the hotel and catering industry..."

- H. Robinson
Aspect Geographies: A Geography of Tourism (1976)

"Accommodations are of major importance for successful tourism. Accommodations must be available in sufficient quantity to match the demand of the travellers who arrive at the destination in the quality and type of accommodations desired. In fact, accommodations are so fundamental to tourism that it can be stated categorically that unless accommodations are present and are satisfactory in every way, tourism cannot be successful. Accommodations probably precede any other type of development."

- R.W. McIntosh
Tourism: Principles, Practices, Philosophies (1972)

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ALBERTA ACCOMMODATION INDUSTRY STUDY

VOLUME I: INDUSTRY DEFINITION

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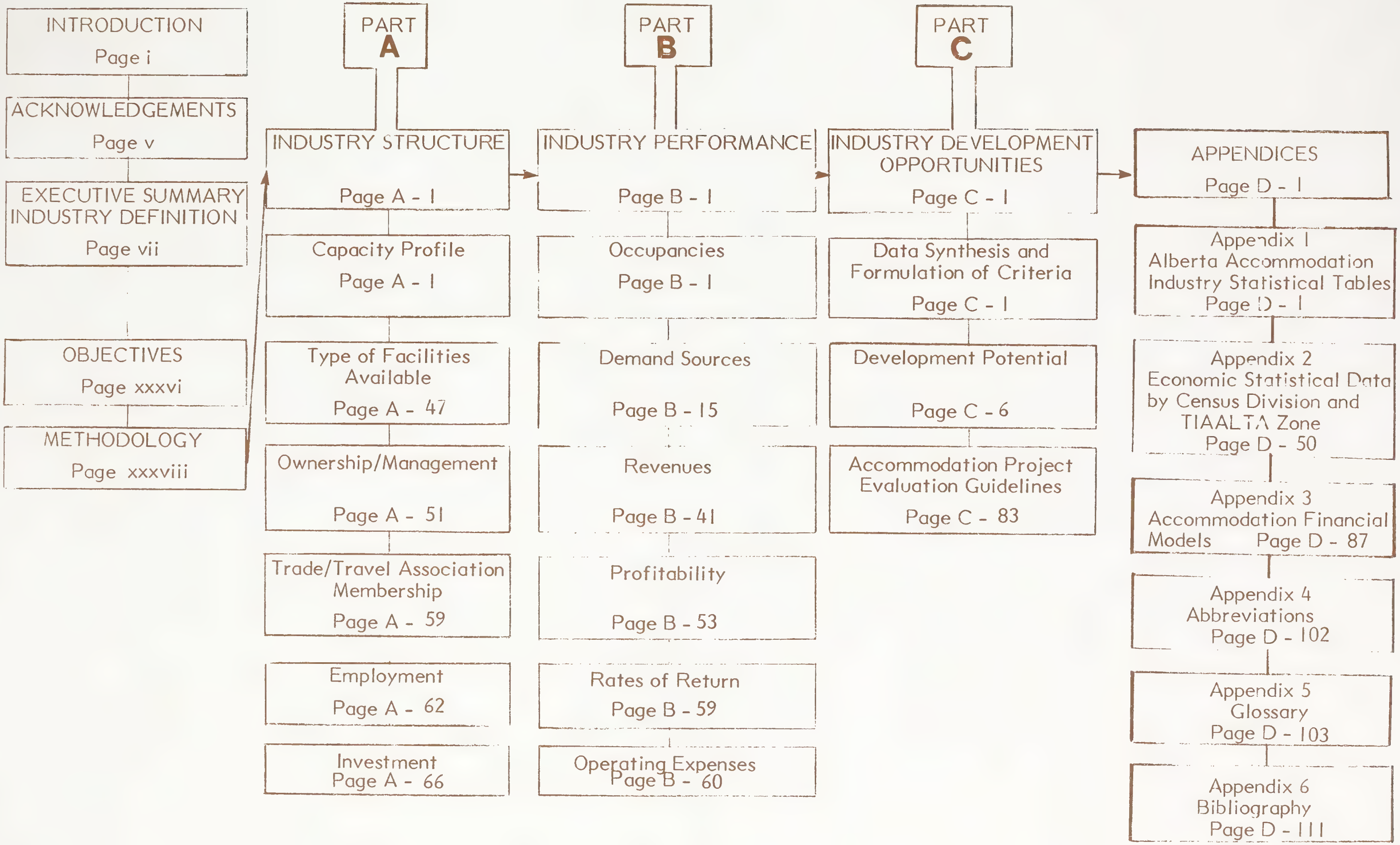


INTRODUCTION

The economic and social importance of the tourism industry has only been recently recognized as a significant source of income, employment, taxes, amenities and as a major factor in the Balance of Payments for many countries and their component geographical regions. As such, it has been attracting an increasing amount of attention on the part of governments and others with an interest in economic growth and development. Alberta has begun to recognize tourism's important contribution to the provincial economy.

Early in 1977, the Government of Alberta announced that it was taking a six-pronged approach to economic diversification of the province. One of the six main areas singled out for attention and diversification was the tourism industry. At that time, it was felt that the province's tourist facilities, including the accommodation sector were operating at capacity and that if tourism was to be increased, it would require extensive upgrading and expansion of facilities.

In concert with this provincial economic diversification directive, Travel Alberta as part of the Alberta Department of Business Development and Tourism commissioned a study entitled the Alberta Accommodation Industry Study to determine and evaluate the structure, performance and potential development opportunities of Alberta's accommodation industry, as well as examining the prevailing management practices and policies and predominant

industry problems, issues and trends. Future courses of action required by both the private and public sectors to improve overall industry performance would also be provided in this report.

The study has been prepared in two main volumes as identified below:

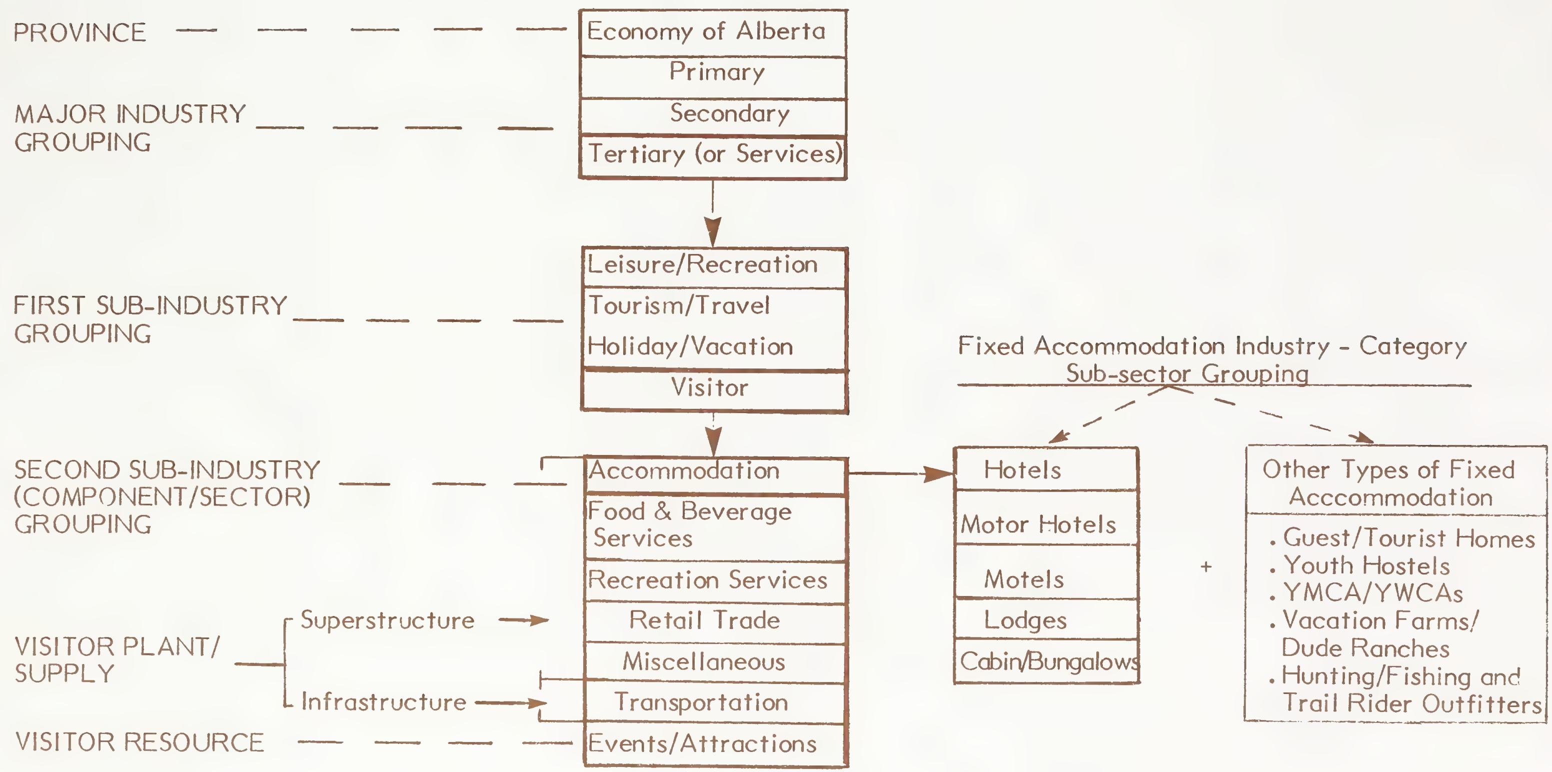
VOLUME I: INDUSTRY DEFINITION

VOLUME II: INDUSTRY ANALYSIS

Despite the great amount of literature which has been written about the tourism and accommodation industries, there is still no commonly accepted set of definitions. In order to provide a full understanding of the terminology used in this study as well as the positioning of the Alberta accommodation industry within an economic context, a glossary of terms in each volume's appendices and an accommodation industry schematic model has been provided. This model, which is depicted in Figure I, over page shows accommodations as a sub-industry of the overall visitor and service industries.

In this study, two main concepts are of prime importance. Firstly, the accommodation part of the tourism/visitor industry can be recognized as either an industry in itself or a sector of a larger industry. The former term has been utilized throughout this study with the understanding that it includes only the fixed portion of the accommodation industry, thereby excluding private and public campground facilities. Secondly, the term, visitor industry is more

FIGURE I
SCHEMATIC MODEL OF
ALBERTA ACCOMMODATION INDUSTRY



VISITOR RESOURCE + VISITOR PLANT = VISITOR ACTIVITIES

appropriate to this study as opposed to the tourism industry per se because of the very nature of the definitions of visitor and tourist. A tourist intuitively implies a pleasure traveller, while a visitor encompasses both pleasure and business travellers. The Alberta fixed accommodation industry derives a greater portion of its livelihood from this latter demand source.

This volume is the first of two volumes that comprise the Alberta Accommodation Industry Study as outlined previously. As can be seen in the preceding Index Flowchart, this volume contains appended materials which include pertinent statistics on the provincial accommodation industry, a statistical digest of key Alberta economic indicators by census division and TIAALTA zone, a presentation of accommodation financial (pro forma) models, an explanation of the abbreviations used, a glossary of terms and a bibliography.

Our findings and conclusions on Volume I: Industry Definition are presented on the following pages.

ACKNOWLEDGEMENTS

In the undertaking of this study, we have relied upon the invaluable assistance given us by a large number of people and organizations to whom we express our sincerest thanks. In particular, we would like to extend our appreciation to all those individuals in the Department of Business Development and Tourism - Travel Alberta for the fine assistance and co-operation that they provided during the course of this assignment. Additionally, we would like to acknowledge that the preparation of this study would not have been possible without the willingness and excellent co-operation of all the selected accommodation operators/owners interviewed in the Province of Alberta.

We also appreciate the valuable input and advice of the study's steering committee which met intermittently throughout the initial stages of the assignment. This committee was composed of the following individuals:

Mr. E. G. Shaske, Executive Director, Research and Analysis Branch, Department of Business Development and Tourism

Mr. F. M. B. McMullan, Economist, Research and Analysis Branch, Department of Business Development and Tourism

Dr. W. C. Chang, Senior Economist, Research and Analysis Branch, Department of Business Development and Tourism

Messrs. P. Bidlock and E. Mazeppa, representing the Alberta Hotel Association

Messrs. G. Marshall, R. Caine, E. Cohen and B. Mitchell, representing the Motel Association of Alberta.

In similar fashion, our gratitude is extended to Mr. George T. Barr, Executive Vice-President, Alberta Hotel Association and Mr. Allan V. Goyer, Supervisor, Accommodation Inspections, Visitor Services Branch, Department of Business Development and Tourism for their knowledge and helpful insight into the province's accommodation industry.

As a final note, we feel that this study with its expressed industry viewpoints has contributed to a better understanding of the structural and operational developments of the accommodation industry in the Province of Alberta.

Pannell Kerr Forster & Associates

PANNELL KERR FORSTER & ASSOCIATES

May 1978

EXECUTIVE SUMMARY - INDUSTRY DEFINITION

This is the first of two volumes that comprise the Alberta Accommodation Industry Study, commissioned by Travel Alberta, Department of Business Development and Tourism in March 1977. The study was aimed at determining the structure, performance and potential development opportunities of Alberta's accommodation industry, as well as examining the prevailing management practices and policies and predominant industry problems, issues and trends. Volume I: Industry Definition presents an examination of these former three areas.

OBJECTIVES (Pages xxxvi to xxxvii)

The objectives of Volume I: Industry Definition were three-fold: (1) to determine and evaluate the composition and nature of the provincial accommodation industry, both existing and planned, (2) to determine and evaluate the usage and profitability levels within the accommodation industry, and (3) based on the completion of the above, to determine potential development opportunities for the Alberta Accommodation industry.

METHODOLOGY (Pages xxxviii - lvi)

Information on these topics was gathered from both primary and secondary sources. The majority of the data collected on the structure of the accommodation industry was obtained from the secondary sources, while the sections on industry performance and development opportunities were based for the most part on primary data.

The primary sources included personal interviews with 230 randomly selected operators of hotels, motor hotels, motels, lodges and cabin/bungalow establishments, operators of other types of fixed accommodation (e.g. tourist homes, YMCA/YWCAs, vacation farms/dude ranches, etc.), trade and travel association executives and officials of a variety of related government departments and agencies. The 230 operators interviewed, representing the province's main types of accommodation, were selected on a stratified random sampling basis, that is, according to categories of accommodation, number of rooms available and locations in the province by TIAALTA zone. A thirteen page pre-coded questionnaire was utilized during these operator interviews and a large proportion of the numerical data collected was processed through seventeen specially-designed accommodation industry computer programs.

Secondary sources included various Travel Alberta accommodation-related reports and other documentation, numerous federal and other provincial government department studies on the accommodation industry, various private sector reports and in-house statistical files and documents.

In defining the Alberta accommodation industry, the following areas were analyzed and evaluated:

Industry Structure: supply profile, type of facilities available, ownership/management, trade/travel association membership, employment and investment;

Industry Performance: occupancies, demand sources, revenues, profitability, rates of return and operating expenses; and

Industry Development Opportunities: development potential by TIAALTA zone (including the Eastern Slopes region) and accommodation project evaluation guidelines.

A schematic presentation of the methodology of this volume is shown in the body of this report. (Page lvi.)

EVALUATION OF INDUSTRY STRUCTURE

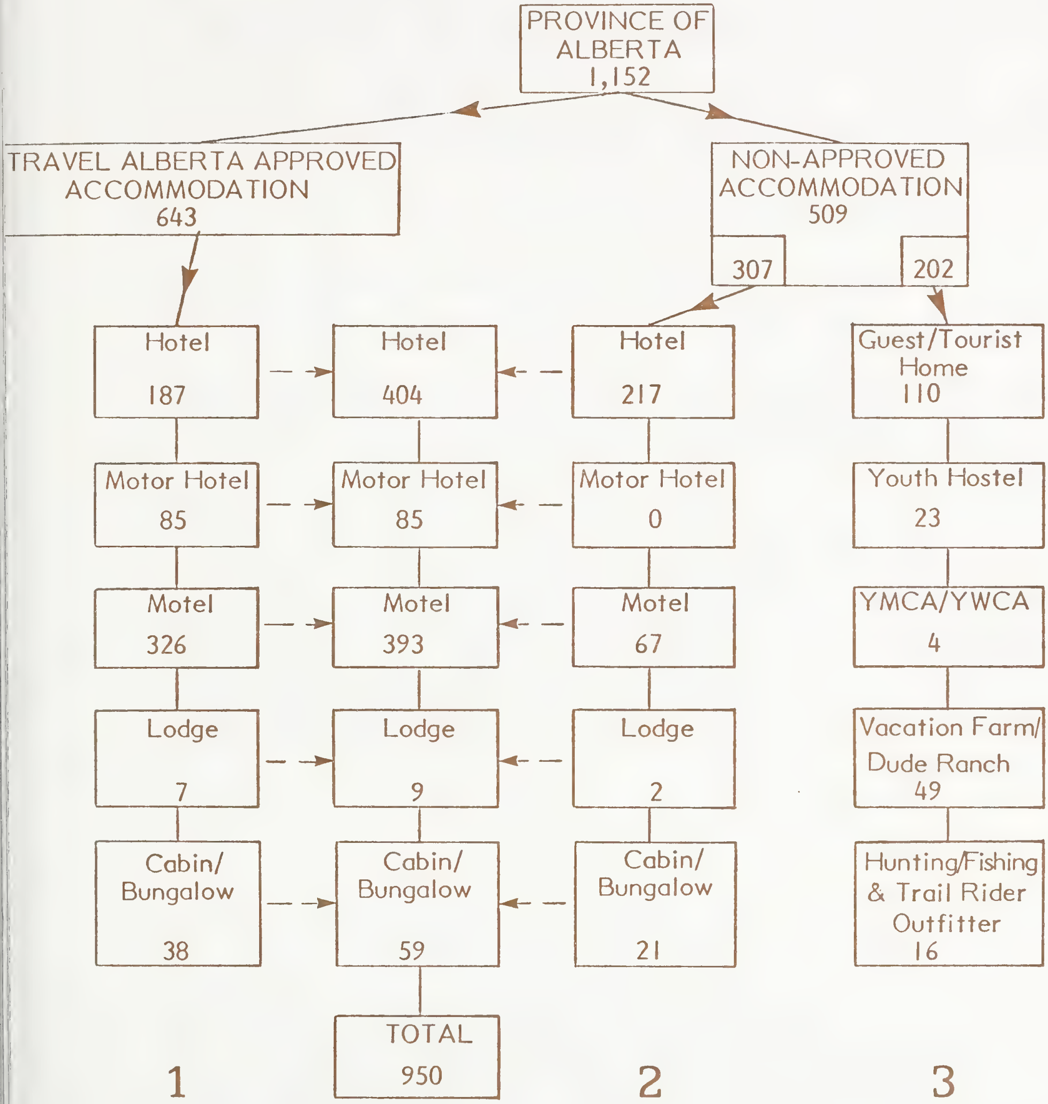
Supply Profile (Pages A - 1 to A - 46)

The accommodation industry in the Province of Alberta comprised 1,152 fixed accommodation establishments in 1976. These establishments include hotels, motor hotels, motels, lodges, cabin/bungalows, guest/tourist homes, youth hostels, YMCA/YWCAs, vacation farms/dude ranches and hunting/fishing and trail rider outfitters. When these latter five minor categories of accommodation were excluded, the provincial accommodation industry consisted of 950 establishments. A schematic of the number of approved and non-approved accommodation establishments in Alberta by category is provided on page xi. It was concluded that the majority of the accommodation establishments in the province were small (i.e. less than 49 units), rural-based (i.e. centres under 10,000 population) properties, predominantly of the hotel and motel categories.

Of the 950 establishments in the province which represent the five major categories of accommodation, it was found that 44 were seasonal operations (i.e. operated less than 10 months a year) or 4.6% of the above provincial establishment total. It was determined that the predominant share of seasonal accommodation establishments in the province were small, rural-based cabin/bungalow properties located in Banff, Jasper and Waterton Lakes National Parks.

Over the five year period from January 1972 to December 1976, 103 new accommodation establishments were built in the province. The major part of this new establishment growth was recorded for small properties (i.e. less than 49 units), either of the motel or motor hotel type, occurring principally in Edmonton, Calgary and other major communities in Northern Alberta. Calculations showed that the number of new accommodation establishments in the province had been growing at an annual 3% average compound rate during this time period.

ALBERTA ACCOMMODATION INDUSTRY
SCHEMATIC OF PROVINCIAL ESTABLISHMENT CAPACITY
1976



The accommodation industry (hereafter meaning hotels, motor hotels, motels, lodges and cabin/bungalows) in the Province of Alberta had 32,255 available rooms in 1976. Of this figure, 62.2% were in hotels/motor hotels, 32.4% in motels, 3.3% in cabin/bungalows and 2.1% in lodges. In addition, the number of available rooms in establishments with less than 75 units was found to be 66.7% of the total provincial room capacity.

Over the five year period from January 1972 to December 1976, 7,321 new accommodation rooms were constructed in the province. These new rooms represented 5,862 units as part of new establishment developments, while the remaining 1,829 represented additions to existing properties. It was found that the majority of new rooms built over this period occurred in intermediate size (i.e. 50 - 199 units), urban-based properties (i.e. centres over 10,000 population), either of the motel or motor hotel type and principally located in the province's two main cities of Edmonton and Calgary. Using 1972 as a base year, the number of new available rooms in the province grew at an approximate 6.6% average annual compound rate.

The provincial accommodation industry also recorded 11,453,096 available room nights in 1976. By category of accommodation, the hotel/motor hotel sector represented the greater share of this total available room night capacity at 63.5% with motels following at 33%. In addition, it was found that the number of available room nights for those establishments less than 75 units was 66.9% of the provincial total. On a seasonal basis, this room night figure

was allocated as follows: Winter (December 1 - March 31) = 3,728,125, Spring (April 1 - June 15) = 2,394,710, Summer (June 16 - September 15) = 2,962,329 and Fall (September 16 - November 30) = 2,367,932. It can be seen that the provincial room night capacity is significantly higher in winter than summer since that season has 29 additional days and is only affected to a minor degree by seasonal operations when compared to the total accommodation establishment base.

Over the five year period from January 1972 to December 1976, 2,662,512 room nights became newly available in the province. The increase in available room nights over this period grew at a 6.8% average annual compound rate.

The accommodation industry in the Province of Alberta had a maximum daily guest capacity of 86,485 in 1976. By category of accommodation, the hotel/motor hotel sector represented the greater share of this capacity at 56.7% with motels following at 36.8%. In addition, it was found that the total guest capacity for those establishments less than 75 units was 69.4% of the provincial total.

The accommodation industry in the Eastern Slopes, a specially designated region within the province which embraces the five river basins located on the leeward side of the Rocky Mountain Cordillera, consisted of 82 accommodation properties in 1976 or 8.6% of Alberta's total available establishments. It was found that 57% and 21% of the region's establishment total were motels and hotels respectively. In 1976, the region had an available room

capacity of 1,714 which represented 5.3% of the province's total rooms. With respect to available room nights, the Eastern Slopes had a total of 615,957 or 5.4% of the province's room night capacity in 1976. Additionally, the maximum number of guests that could be accommodated in the region per day was 4,993.

Type of Facilities Available (Pages A-47 to A-51)

Of the 950 accommodation establishments identified in the Province of Alberta, 51.8% had no foodservice, 22.8% had unlicensed foodservice and 25.4% had fully licensed foodservice facilities. In all, 458 accommodation establishments in the province provided some type of foodservice. Approximately 53% of the establishments providing foodservice were licensed, primarily of the hotel and motor hotel categories. The majority of the properties not having foodservice were motels.

Similarly, of the 950 accommodation establishments identified, there were 43.6% with no beverage service, 21.6% with a licensed restaurant, 17.2% with a licensed lounge, 47.6% with a licensed tavern and 2.3% with a licensed cabaret facility. In all, 536 accommodation establishments in the province provided some type of beverage service. The most prevalent beverage facility was a tavern, found in 47.6% of all accommodation properties, with the majority located in hotels. The least common beverage facility available was a cabaret which was found in only 2.3% of all accommodation properties. The majority of properties not having some type of beverage service were motels.

Ownership/Management (Pages A -51 to 59)

Of the 950 accommodation establishments in the Province of Alberta, it was found that 93.4% were owned by independent operators with chain ownership a distant second at 2.4%. Despite this low level of accommodation affiliation, the trend towards some type of association continues to grow. It is interesting to note that the majority of the non-independent properties in the province have only been built or affiliated with their respective organizations over the past five years. In any case, the Alberta accommodation industry will tend to become more integrated largely due to the public's increasing need for efficient reservation and confirmation systems and the industry's requirements to more effectively reach potential markets.

By legal form of organization, it was found that the majority of the 950 accommodation establishments were incorporated companies at 68.2%, 25.6% were individual proprietorships and the remaining 6.2% were partnerships. Likewise, 95% of the industry was locally-owned, while 5% was other Canadian and foreign-controlled, referring primarily to chain-owned properties whose headquarters were located outside Alberta.

Properties sampled showed an average length of ownership of 7.3 years. According to category and size of operation, it seems that motels and properties less than 49 units have experienced the most active ownership turnover. However, in our view, the provincial average seems to be sufficiently long enough to maintain a modest amount of stability and would not be a major contributing factor to certain industry problems.

Trade/Travel Association Membership (Pages A - 59 to A - 62)

It was found that the majority of the accommodation establishments in Alberta support their respective trade associations, with somewhat less support given to travel/tourist associations. Of the 489 hotels and motor hotels in the province in 1976, 96% belonged to the Alberta Hotel Association, while of the 452 provincial motels and cabin/bungalow properties, 67% belonged to the Motel Association of Alberta. The Canadian and American Automobile Associations and the Travel Industry Association of Alberta suffered much lower participation rates in the range of 20% - 35% of all provincial accommodation establishments. It was also noted that a reasonable proportion of accommodation establishments belong to various other peripheral organizations such as the local Chamber of Commerce and the Alberta Restaurant and Foodservices Association.

Employment (Pages A - 62 to A - 66)

Industry figures for the five major categories of accommodation in the province show that motels, lodges and cabin/bungalow properties had the lowest average number of establishment employees, including management, while hotels and motor hotels had the highest. As expected, there was a direct correlation between the size of establishments and the number of staff employed.

Based on the results of our sample, the Alberta accommodation industry employed approximately 18,000 full-time or 25,000 full-time and part-time persons in 1976.

Investment (Pages A - 66 to A - 68)

According to Canadata, Statistics Canada and Travel Alberta estimates on the values of new and repair expenditures in provincial accommodation construction for the period 1968 to 1977, a dramatic increase in the value of new construction in the industry has occurred since 1972, with the majority of it being spent on developments in both Edmonton and Calgary. Since 1976, though, less construction monies have been expended in these areas with more being devoted to new and expanded facilities in the rural areas of the province. Taking the 1976 Canadata or Travel Alberta accommodation construction values into account, it would seem that the industry was responsible for approximately 6 - 9% (or $26.5 million) of the value of total commercial building construction in the province.

It has been conservatively estimated that the 1976 market (or selling) value for all accommodation properties in Alberta ranged in the area of $800 to $850 million.

EVALUATION OF INDUSTRY PERFORMANCE

Occupancies (Pages B - 1 to B - 15)

The accommodation industry in the Province of Alberta experienced an average occupancy of approximately 69% in 1976. This occupancy rate was marginally ahead of occupancies attained in the previous two years. According to various industry statistical trend publications,[1] (hereafter any mention of statistical publications refers to those reports documented in this footnote)

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[1] Pannell Kerr Forster & Company, Trends in the Hotel Business, 1977 International Edition and Trends in the HotelMotel Business, 1977 U.S.A. Edition

which registered approximate average occupancies of 62% and 67% in Canada and the United States respectively in 1976, it can be reasonably stated that Alberta's accommodation occupancy rate was above average.

It has been estimated that the following average occupancy rates and respective compound growths by TIAALTA zone/Eastern Slopes and category of accommodation occurred in 1976:

TIAALTA Zone	Occupancy %	Compound Growth % 1974-1976
1 Land of the Big Blue Sky	70.0	7.3
2 Gateway	79.3	14.8
3 Big Country	75.6	30.0
4 Land of David Thompson	75.5	3.8
5 Battle River	66.3	10.4
6 Lakeland	63.8	19.7
7 Evergreen	68.9	8.2
8 Land of the Mighty Peace	64.0	9.8
9 Jasper National Park	66.7	2.2
10 Calgary & District	66.2	1.8
11 City of Edmonton	70.0	8.5
12 Banff/Lake Louise	69.4	7.1
13 Game Country	72.1	11.3
14 Land of the Midnight Twilight	69.0	17.9
Eastern Slopes	70.0	14.0

Category	Occupancy %	Compound Growth % 1974-1976
Hotel	66.9	1.5
Motel	71.6	11.5
Motor Hotel	68.7	14.7
Lodge	76.6	8.0
Cabin/Bungalow	66.4	8.3

Using 1974 as a base year, the average annual compound growth rate in Alberta's accommodation occupancy has been 7.1% or expressed in another manner, 1976's average occupancy was 1% point above that recorded in 1974. This growth rate is considered healthy because it also reflects the sizeable

increase in the supply of available room nights that has occurred during the past few years in the province, which from a 1974 base has increased annually by a 6.6% compound rate.

Edmonton's 1976 occupancy percentage grew by 8.5% from 1974, while Calgary's average occupancy increased by 7.0%. These growth rates, when compared to the increase in supply of available room nights in Alberta's largest urban metropolitan centres over the past few years, show that demand has approximately kept pace with supply (i.e. 8.5% compound growth) in Edmonton while slightly underpacing supply (i.e. 8.0% compound growth) in Calgary.

The seasonal variations of occupancy in 1976 show that the province's highest average occupancy occurred during the summer at 82.2%. The off-season average occupancies which were in the 60 - 65% range are considered substantially above the Canadian norm of between 40% and 50%. The major reasons for these buoyant off-season occupancy rates are the major patronage of crews (e.g. oil/natural gas, seismographic, construction, power, telephone, etc.) in rural accommodation properties and the increasing usage of accommodation establishments in winter recreational areas, such as Banff and Jasper. Banff-Jasper National Parks and southern Alberta experienced the wildest fluctuations in average occupancies between their summer and lowest season due primarily to their heavier reliance on the tourist trade, while northern Alberta displayed the greatest resistance to seasonal occupancy percentage changes because of the magnitude of economic activity in the extractive industries in the area.

Alberta's 1976 multiple occupancy factor for the accommodation industry was found to be 1.5, which means that an average of one and half guests were registered per occupied room. This average signifies an increased usage of the province's accommodation plant, since it has been recorded that the number of guests per room in 1975 was 1.41, thereby increasing the patronage of attendant food and beverage and other facilities. According to various industry statistical publications, this 1976 figure is higher than that attained in Canada's overall accommodation industry of 1.29. The higher multiple occupancy figure in Alberta is due to the fairly high proportion of work crew business in the province and to the high multiple occupancies in the Banff (2.13 guests/occupied room) and Jasper (2.24) TIAALTA zones. By category of accommodation, hotels achieved a 1976 multiple occupancy factor of 1.3, motels had 1.63, motor hotels had 1.42, lodges led with 2.03 and cabin/bungalow properties had 1.78.

Demand Sources (Pages B - 15 to B - 40)

It is estimated that total room demand in the province in 1976 came from the following sources:

	%	Occupied Room Nights @ 69% Occupancy*
Industrial-commercial (including work crews)	56.4	4,457,087
Tourism	28.3	2,236,446
Group meetings and conventions	7.8	616,405
Government	3.4	268,690
Other (Primarily permanent guests)	4.1	324,008
	100.0	7,902,636

* Total available room nights in Alberta were estimated at 11,453,096 in 1976.

The industrial-commercial sector comprises executives, salesmen, employees and technicians visiting local industries in the province. For purposes of this analysis, this sector also included the demand for accommodation facilities from work crews. As can be seen, this sector was by far the largest single component of accommodation room demand in the province.

All regions within the province except Banff-Jasper National Parks showed heavy reliance on industrial-commercial business. Of the five main categories of accommodation, motor hotels and hotels received most of their room demand from this sector. Establishments less than 50 units have been receiving the bulk of work crew patronage and therefore have displayed larger percentages of industrial-commercial demand than would be normally expected. This situation is understandable since the majority of work crews are based in small rural communities where there are few properties larger than 50 units. The longer term prospects for work crew demand are difficult to predict, but it can be reasonably assumed that such crews will continue to be in the field for the next 5 - 10 years. However, because of the temporary nature of work crew business, rural accommodation properties should not become totally dependent on this particular market source.

Growth in industrial-commercial demand for the Alberta accommodation industry will stem basically from the continued health of the provincial economy. For the past four years, the province has enjoyed notable increases in

its share of Canadian population, output, employment and investment growth. Based on present economic conditions in the province, it is estimated that the industrial-commercial demand for accommodation will increase on average by a 4 - 5% annual compound rate for the next five years.

Travel activity (i.e. number of person trips) in Alberta has been growing steadily over the past five years at an average annual compound rate of 5.1%. At the same time, travel receipts have increased from 1971 at a 13.7% annual rate to its 1976 total of $710 million.

Banff-Jasper National Parks and southern Alberta have exhibited the highest portions of accommodation room demand from the tourist trade. Accommodation properties in Banff National Park are slightly more dependent on tourism than those establishments located in Jasper National Park. Likewise, Calgary has shown a greater reliance on the tourist sector than Edmonton. Based on the assumption that further development of more destination areas, better transportation linkages and improved travel product packaging will occur in the province over the next five years, it is estimated that the tourism component of room demand will grow at an average annual compound rate of 5 - 6%.

The conventions and meetings market has become one of the more promising and growing segments of accommodation demand in various communities in the province. Although this demand sector has shown minimal growth on a provincial basis, a few cities (e.g. Edmonton, Calgary and Red Deer) have exhibited annual compound growth rates in number of delegates in the range

of 4 - 5.5%. With the possibility of more convention centres in the province, it is quite likely that larger conventions from farther afield will be attracted. Currently, most demand from this sector has been generated from smaller and intermediate-size meetings (i.e. fewer than 250 persons) taking place in convention-type hotels and motor hotels. The towns of Banff (5.8%) and Jasper (13.8%) and the cities of Edmonton (7.3%) and Calgary (8.2%) have displayed the highest proportions of accommodation room demand from the group meetings/-conventions market. With further growth in industrial development and active promotion of larger conventions, it has been estimated that this demand sector would grow at an annual compound rate of 3 - 4% over the next five years.

Government demand in Alberta and its various communities has resulted from the presence of the Provincial Legislature with its supporting civil service in Edmonton and other government branch offices located throughout the province. Government demand has also accrued from various branch offices of federal government departments and, in particular, from Parks Canada personnel located in Alberta's five national parks.

The Cities of Edmonton and Calgary and northern Alberta exhibited the highest portions of room demand from government. Of the five main categories of accommodation, motor hotels and hotels experienced the greatest share of this sector's demand. With gradual expansion in the civil service and its increased involvement in regional development, it is estimated that the government room demand component will grow at an annual rate of 2 - 3% over the next five years.

"Other" demand in this study included permanent guests and transients looking for employment in the province. Accommodation establishments in Calgary and central Alberta showed the highest proportion of room demand from this sector. It has been estimated that this demand will grow at an annual compound rate of 1 - 2% over the next five years, taking into consideration the healthy economic prospects of the province.

Estimates indicate that the following breakdown of accommodation room demand by guest origin was applicable to the Province of Alberta in 1976:

	%	Occupied Room Nights @ 69% Occupancy*
Alberta	59.5	4,702,068
Other Canadian Provinces	25.8	2,038,880
U.S.A.	12.8	1,011,538
Other Foreign	1.9	150,150
	100.0	7,902,636

* Total available room nights in Alberta were estimated at 11,453,096 in 1976.

Alberta residents are by far the largest single source of accommodation room demand in the province. The majority of non-Albertans (i.e. primarily pleasure travellers) patronized lodges and hotels located in Banff-Jasper National Parks, while Albertans tended to stay at motels and motor hotels throughout the province, resulting in higher room utilization in northern and central Alberta, which are the primary areas of recent economic activity for the extractive industries.

Revenues (Pages B -41 to B - 53)

The provincial average room revenue per unit was found to be $4,992 in 1976. By category of accommodation, hotels and motor hotels, showed the highest average 1976 room revenues per unit at $5,119 and $5,040 respectively, while motels and cabin/bungalow properties showed the lowest at $4,331 and $3,926 respectively. A direct correlation existed between the number of rooms per establishment and higher average room revenues. Comparing the study's results to Statistics Canada's accommodation statistics, the Alberta accommodation industry has achieved higher room revenues per unit than the national and various other provincial averages.

The provincial average food and beverage revenue per room was found to be $8,124 in 1976. By category of accommodation, motor hotels and hotels exhibited by far the highest 1976 food and beverage revenue per room at $17,930 and $10,256 respectively with motels recording the lowest at $747. It is understandable that motel and cabin/bungalow properties experienced the lowest recordings since the majority of these establishments do not contain food and beverage facilities and are, in fact, primarily in the room business. As with average room revenue, a direct correlation also existed between the number of rooms per establishment and higher average food and beverage revenue. Comparing results of the study to Statistics Canada's accommodation statistics, the Alberta accommodation industry has achieved higher food and beverage revenues per unit than the national and various other provincial averages, except in the motel sector. It would seem that motels in other parts of Canada are much more diversified in the food and beverage area than those in Alberta and have derived more revenues from this source.

The provincial average "other" revenue (i.e. merchandise sales such as cigarettes, periodicals, commissions on guest laundry, recreation rentals, etc.) per room was found to be $360 in 1976. By category of accommodation, motor hotels and hotels displayed the highest 1976 other departmental revenue per unit at $562 and $435 respectively. Compared to Statistics Canada's accommodations statistics, the Alberta Accommodation industry has again achieved higher other revenues per unit than the national and various other provincial averages, except possibly in the motel sector where "other" revenue generated is about the same.

Overall, it can be concluded that on a provincial basis, Alberta's accommodation industry has been generating more than sufficient sales on a per room basis when related to national and other comparable provincial statistics. In particular, the industry has been more orientated to the food and beverage business when comparing the various average departmental revenues per room.

This high proportion of food and beverage revenue is a unique aspect of the provincial accommodation industry since it is substantially above the Canadian average. According to Statistics Canada's 1975 accommodation statistics, 62.5% of Alberta's total industry revenue was for food and beverage as compared to the Canadian average of 57% or, with respect to beverage only, 43.4% of the total industry revenue as compared to the 34.7% Canadian average. Only the provinces of Manitoba and Saskatchewan have shown a heavier reliance on this revenue source.

It is estimated that the accommodation industry in the Province of Alberta had $434 million in total receipts in 1976. As a percentage of the province's Gross Domestic Product (i.e. estimated at $18 billion in 1976), the accommodation industry represented approximately 2%. In addition, the industry provided some 17% of Alberta's $2.5 billion services receipts.

The accommodation industry achieved an average provincial room rate of $20.44 in 1976. This figure represents the average rate per occupied room. Of the five main categories of accommodation, hotels exhibited the highest average room rates at $21.21, while motels had the lowest at $16.92. Motor hotels and cabin/bungalow properties showed average room rates of $20.32 and $19.45 respectively. A direct correlation was also found to exist between the size of operation and higher average room rates. In comparison with Canada and the United States, Alberta's average room rates appear to be low since the 1976 average rates for these jurisdictions were $29.49 and $27.92 respectively, as stated in various industry statistical publications. However, these higher figures are not really comparable because they represent average rates for first-class hotels while the Alberta figure covers the complete range of property types, from economy-class to first-class. In addition, it would appear that a certain degree of discounting from advertised rates has been taking place in the province. However, the problem at the moment from the public's point of view is the perceived price differential between the Canadian and the American tourism product, including lodging room rates. According to these same accommodation

industry statistical surveys, the first-class hotels and motor hotels in Canada and in the Province of Alberta have consistently displayed higher prices in terms of room rates and food and beverage prices over the past few years in comparison with their U.S. counterparts. The major reasons for these price differentials are higher construction costs and the related operating costs such as labour and food sold in hotel foodservice facilities.

Profitability (Pages B - 53 to B - 59)

The following average profit levels and respective ratios should be employed with some caution due to the small sample size and the differences in the financial structure of firms.

The provincial average gross operating profit (i.e. profits after all direct operating and overhead expenses) per room was found to be $3,699 in 1976. This figure would seem to be close to the average of the whole industry in Canada. From various industry trends publications that compile a dollar value for GOP per room for both hotels and motor hotels combined, it was shown that their figure of $3,156 nationally was very close to Alberta's hotel sector figure of $3,119 per room. However, motor hotel operations in the province are performing at a better GOP per room level when compared to similar establishments across Canada.

The provincial average GOP ratio (i.e. percentage relationship of gross operating profit to total revenue) was found to be 34.96% in 1976. This percentage figure relates a very high level of operating efficiency for the

Alberta accommodation industry when compared to the entire industry across Canada. Based on various industry trends publications which compile GOP ratios for both hotels and motor hotels combined, it was found that their published ratios were remarkably close (e.g. Canada and Ontario measured at 22% and 24% respectively) to those similar ratios in Alberta which showed 24.49% for hotels and 27.92% for motor hotels.

The overall provincial net profit per room was found to be $810 in 1976. By category of accommodation, motor hotels and hotels achieved the highest averages, while motels and cabin/bungalow properties experienced the lowest. It was also found that a direct correlation existed between the size of operations and higher average net profit levels.

The provincial average profit margin (i.e. percentage relationship of net profit after income taxes to total revenue) was found to be 8.49% in 1976. Based on the most recent data from statistics Canada, it would appear that the hotel and motor hotel categories in Alberta have been achieving slightly higher net profit levels in relation to total sales when compared to the national averages.

Rates of Return (Pages B - 59 to B - 60)

The provincial average return on owners' equity ratio (i.e. percentage relationship between net profit after taxes and owners' equity) was found to be 17.6% in 1976. This rate of return percentage is very healthy since on average most accommodation establishments should be striving for a 15% to 20% rate on their investment. Based on comparisons to recent data from Statistics Canada, hotel and motor hotel operations in Alberta have been achieving rates of return similar to the national averages.

Operating Expenses (Pages B - 60 to B - 70)

The provincial average staff payroll (i.e. salaries and wages) per room was found to be $4,088 in 1976. By category of accommodation, motor hotels and hotels showed the highest average staff payrolls per room at $5,990 and $5,003 respectively, while motels recorded the lowest at $1,126. According to Statistics Canada, the Alberta accommodation industry has been paying higher salaries and wages per room than the respective national and various other provincial averages, except when compared to British Columbia. In addition, from various industry trend publications that compile a 1976 dollar value for salaries and wages per room for both hotels and motor hotels combined, it was shown that their figures of $4,605 nationally and $4,146 for Ontario were lower when compared to similar category figures in Alberta, as previously mentioned.

The accommodation industry in Alberta was estimated to have provided $120 million in total staff payroll in 1976, approximately 28% of the total provincial accommodation revenue.

The provincial average taxes paid (i.e. property and business taxes) per room were found to be $533 in 1976. By category of accommodation, motor hotels and hotels exhibited by far the highest average taxes paid per room at $715 and $646 respectively, while cabin/bungalow properties showed the lowest at $131. In comparison to the U.S. accommodation industry, the provincial property/business tax per room was approximately 5% higher.

The provincial accommodation industry was estimated to have paid $15 million in property and business taxes in 1976. Together with taxes on the purchase of alcoholic beverages and liquor license fees which totaled

approximately \$6.8 million, the industry contributed some \$21.8 million in taxes (i.e. 5% of the industry's total revenue in 1976) to both municipal and provincial governments, excluding income taxes.

EVALUATION OF INDUSTRY DEVELOPMENT OPPORTUNITIES

To accurately assess the potential for accommodation development in each TIAALTA zone and the Eastern Slopes region, a quantitative comparison of existing and projected supply and demand was carried out in each area for the period 1976 to 1980. It should be noted that these projections were based on information gathered until the completion of the study's field work in August 1977. The reader should also be cautioned that the following discussion of room requirements by area until 1980 can only serve as a general indication of the feasibility of specific development proposals. These potential requirements do not provide sufficient documentation to substitute for market and economic feasibility studies for specific accommodation projects on specific sites.

ALBERTA ACCOMMODATION INDUSTRY

SUMMARY OF ZONE DEVELOPMENT POTENTIAL

1977-1980

LOW	LOW-MEDIUM	MEDIUM	MEDIUM-HIGH	HIGH
Small Number of Rooms Suppportable Due to: 1 Planned New Supply Sufficient to Meet Projected Demand 2 Preponderance of Negative Factors		Some Additional Rooms Supportable Due to: 1 Planned New Supply Less Than Projected Demand 2 Average Number of Positive and Negative Factors		Large Number of Rooms Supportable Due to: 1 Planned New Supply Insufficient to Meet Projected Demand 2 Preponderance of Positive Factors
2 Gateway	1 Land of the Big Blue Sky	8 Land of the Mighty Peace	6 Lakeland	7 Evergreen
3 Big Country	5 Battle River	11 City of Edmonton	14 Land of the Midnight Twilight	12 Banff/Lake Louise
4 Land of David Thompson	9 Jasper National Park			13 Game Country
10 Calgary & District	Eastern Slopes			

A schematic presentation of the accommodation development potential by zone appears opposite page, while the following briefly outlines this potential (C-1 to C-82):

TIAALTA Zone	Room Development Potential to 1980
1 Land of the Big Blue Sky	Low - Medium

- slightly undersupplied
- requirement for another 124-209 units
- specific opportunities are for a motor hotel development in either Coleman, Cardston or Taber and additional motel,cabin/bungalow units in Waterton Lakes National Park
- some upgrading of existing properties required

2 Gateway	Low

- sufficient supply
- possible potential for a full service motor hotel in Medicine Hat offering modern banquet and meeting facilities

3 Big Country	Low

- sufficient supply
- need for upgrading of existing establishments

4 Land of David Thompson	Low

- sufficient supply
- possible potential for a full service motor hotel in Rocky Mountain House
- need for upgrading resort properties

5 Battle River	Low - Medium

- slightly undersupplied
- requirement for another 145-188 units
- specific opportunities are for full service hotels in Fort Saskatchewan and Wainwright

6	Lakeland	Medium - High

- undersupplied
- requirement for another 105-261 units
- specific opportunities exist in Fort McMurray, Lloydminster and Bonnyville-Grand Centre area

7	Evergreen	High

- undersupplied
- requirements up to another 169 units
- specific opportunities are for additional motor hotel or motel facilities in Edson, Hinton and Drayton Valley
- upgrading of existing roadside motel accommodations and intown hotels located on the Yellowhead Highway

8	Land of the Mighty Peace	Medium

- slightly undersupplied
- requirement for another 58-72 units
- specific opportunities for motel and perhaps more hotel facilities in Peace River and Fairview

9	Jasper National Park	Low - Medium

- slightly undersupplied
- requirement for another 40-76 units
- opportunity for low cost family-style accommodation

10	Calgary & District	Low

- sufficient supply
- possible potential for another 109-318 units
- opportunity for a first-class downtown Calgary hotel

11	City of Edmonton	Medium

- slightly undersupplied
- requirement for another 228 units
- opportunities exist in the form of medium-cost motor hotel facilites or an additional first-class downtown hotel property

12 Banff/Lake Louise — High

- undersupplied
- requirement for another 278-496 units
- opportunities for low and medium priced accommodation for transient tourists and more full service accommodation in connection with existing developments catering to tour groups and skiers
- development is urgently required in the Lake Louise area and, to a lesser degree, in Banff

13 Game Country — High

- undersupplied
- requirement for another 92-174 units
- supply sufficient in Grande Prairie but additional motel facilites in Whitecourt, Fox Creek, Sexsmith and Valleyview

14 Land of the Midnight Twilight — Medium - High

- undersupplied
- requirement for another 61-79 units
- opportunities for motel developments in Westlock, High Prairie and Morinville

Eastern Slopes Region — Low - Medium

(western portions of TIAALTA zones 1, 4, 7, 10 and 13 but no accommodation facilities identified in that part of Zone 13)

- slightly undersupplied
- requirement up to another 58 units
- opportunities for motor hotel facilities in Hinton and Rocky Mountain House and motel developments in Crowsnest Pass area

CONCLUDING REMARKS

Overall, this volume of the Alberta Accommodation Industry study addressed the definition of the industry as to structure and performance. With supply and demand factors isolated, it was possible to project the number of rooms required in the province by TIAALTA zone in order to satisfy future demands until 1980. These development requirements were then blended with our own evaluation of the factors documented in Volume I.

OBJECTIVES

The objectives of Volume I: Industry Definition were three-fold:

(1) to determine and evaluate the composition and nature of Alberta's accommodation industry (both existing and planned);

(2) to determine and evaluate the usage and profitability levels within the Alberta accommodation industry; and

(3) based on the completion of the above two objectives, to determine potential development opportunities for the Alberta accommodation industry.

It was felt that when these objectives were fully achieved, the results would provide several important benefits to the provincial government, to the accommodation industry's associations and to the individual lodging operators in the province. It was suggested that the following benefits would accrue:

(a) Department of Business Development and Tourism

- the provision of comprehensive information on the structure and performance of the accommodation industry in Alberta;
- the determination of where outstanding accommodation development opportunities exist in the province;
- the provision of data that can be utilized in tourism expenditure and impact models; and
- the provision of information that can be used to assist in the apportionment of marketing dollars among the regions of Alberta.

(b) Accommodation Industry Associations

- the provision of an accurate presentation of the accommodation industry's levels of usage, financial performance and economic impact which will facilitate effective co-operation between government and industry representatives.

(c) Individual Lodging Operator

- the provision of certain industry performance indicators that can be utilized to gauge the health of individual establishments; and
- assistance in identifying particular industry opportunities for the benefit of individual operators.

METHODOLOGY

Volume I: Industry Definition was sub-divided into three main parts as follows:

PART A: INDUSTRY STRUCTURE
(which included a determination and evaluation of various industry supply components);

PART B: INDUSTRY PERFORMANCE
(which included a determination and evaluation of various industry performance indicators); and

PART C: INDUSTRY DEVELOPMENT OPPORTUNITIES
(which included an identification and evaluation of industry development opportunities by TIAALTA zone).

The information on the structure, performance and development opportunities of Alberta's accommodation industry was gathered from two main sources as follows:

PRIMARY

- personal interviews with 230 individual accommodation operators
- personal interviews with operators of other types of fixed accommodation (i.e. tourist homes, YMCA/YWCAs, vacation farms/ dude ranches, etc.)

- personal interviews with trade and travel association executives (i.e. AHA, MAA, TIAALTA, local Chambers of Commerce, etc.)
- personal interviews with officials of a variety of related government departments/agencies (i.e. Travel Alberta, Alberta Bureau of Statistics, Alberta regional planning commissions' officers, local/municipal planners or industrial commissioners, etc.)

SECONDARY

- various Travel Alberta accommodation-related reports and other documentation (i.e. Tourist Accommodation Inspection reports, Annual Facility Statistics, Accommodation Guide Book, etc.)
- various federal and other provincial government documents and studies on the accommodation industry (i.e. ALCB liquor license and Department of Consumer and Corporate Affairs business licence listings, Statistics Canada Traveller Accommodation Statistics, Alberta Bureau of Statistics Retail and Service Trade Statistics, etc.)
- various private sector reports and mailings (i.e. Canadata's Accommodation Construction Contract Awards, Chamber of Commerce and TIAALTA zone managers' mailings, etc.)
- PKF&A internal library and statistical files (i.e. Trends in the Hotel Business - International and U.S. Editions, Alberta Monthly Hotel/Motor Hotel Statistics, etc.)

A large proportion of the data collected for this volume of the study came from the 230 accommodation industry operators interviewed during our field work. These accommodation operators were randomly selected (i.e. based on an initial universe of 935 establishments to achieve a 25% sample) according to categories of accommodation, number of rooms available (or size range) and locations in the province by TIAALTA zone. It was felt that this statistical method (i.e. stratified random sampling) would ensure that a satisfactory cross-section of operator responses would be collected. Since an accurate count of the number of accommodation establishments by category, size and TIAALTA zone was not known at the time of our sampling, we have presented in the following charts over page the establishment base from which our sample was drawn (i.e. 935 properties) and the quota of establishments to be interviewed in comparison to the existing actual base isolated (i.e. 950 properties) and the number of successful operator interviews attained during this study. This difference in establishment universe can be accredited to the fact that many accommodation properties not approved by the Department of Business Development and Tourism - Travel Alberta had to be individually contacted to find if they were still in operation and various other existing properties which were not included in our initial sources of information were identified during our field work phase.

ALBERTA ACCOMMODATION INDUSTRY (14 TIAALTA ZONES)
SAMPLE ESTABLISHMENT TOTAL (935) AND QUOTA INTERVIEWS *
BY CATEGORY AND SIZE RANGE

Category	Size Range (Number of Rooms) 0-9	10-24	25-49	50-75	76-199	200-499	500+	Total
Hotel	76/18	172/42	98/25	27/6	21/5	8/2	2/1	404/99
Motel	50/12	188/46	106/26	39/10	11/3	-	-	394/97
Motor Hotel	-	8/2	21/5	32/8	18/5	1/0	-	80/20
Lodge	-	4/1	2/1	-	3/1	1/0	-	10/3
Cabin/Bungalow	14/3	21/5	9/2	3/1	-	-	-	47/11
TOTAL	140/33	393/96	236/59	101/25	53/14	10/2	2/1	935/230

* Figures below the diagonal lines refer to number of establishments to be interviewed, while those above correspond to sample establishment totals by category and size ranges.

COMPARED TO

ALBERTA ACCOMMODATION INDUSTRY (14 TIAALTA ZONES)
ACTUAL ESTABLISHMENT CAPACITY (950) AND ACTUAL INTERVIEWS *
BY CATEGORY AND SIZE RANGE

Category	Size Range (Number of Rooms) 0-9	10-24	25-49	50-75	76-199	200-499	500+	Total
Hotel	75/12	178/26	95/25	27/4	20/8	7/5	2/2	404/82
Motel	51/7	188/52	107/30	37/12	10/4	-	-	393/105
Motor Hotel	-	6/3	23/5	30/13	24/5	2/0	-	85/26
Lodge	-	5/0	2/1	-	2/1	1/1	-	10/3
Cabin/Bungalow	22/3	21/7	11/4	4/0	-	-	-	58/14
TOTAL	148/22	398/88	238/65	98/29	56/18	10/6	2/2	950/230

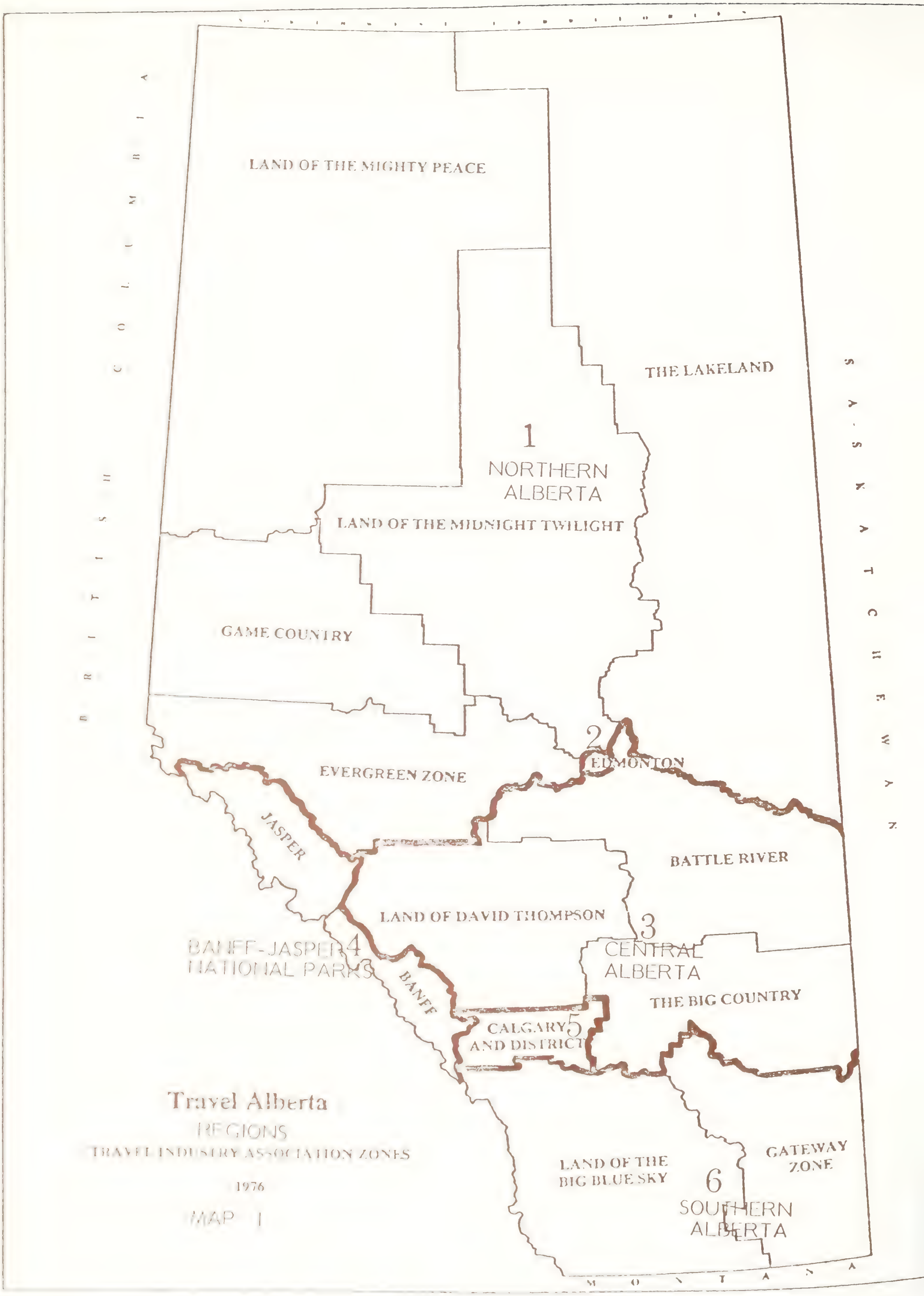
* Figures below the diagonal lines refer to exact number of establishments interviewed during our field work, while those above correspond to exact establishment totals by category and size range.

As can be seen from the preceding charts, our initial sample establishment base was very close to what was finally determined for the accommodation industry in 1976. However, in order to make various categories (i.e. primarily motor hotels and cabins) and larger size ranges (i.e. over 50 units) representative in certain TIAALTA zones and at the same time to maintain confidentiality, our quota interview sample for hotels and smaller size ranges was not achieved. It should be acknowledged that our judgemental influence in these areas was not of such a magnitude to detract from the overall reliability of the responses received. The number of accommodation establishments interviewed in Alberta by community is displayed in Appendix I.

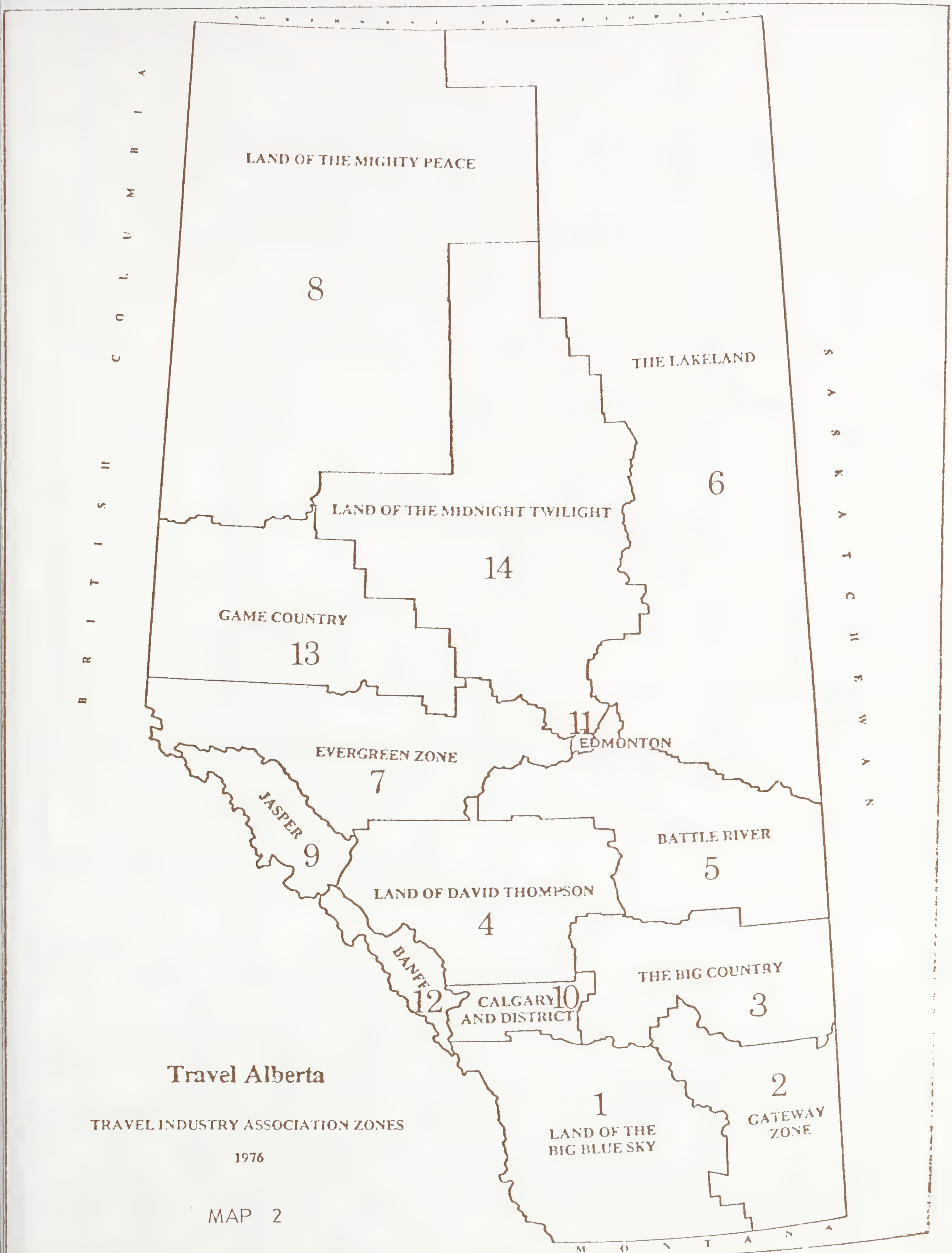
The five main categories of accommodation existing in the Province of Alberta (i.e. hotels, motels, motor hotels, lodges and cabin/bungalows) were sampled in this manner, while the other types of fixed accommodation (i.e. guest/tourist homes, youth hostels, YMCA/YWCAs, vacation farms/dude ranches and hunting/fishing and trail riding outfitters) were interviewed on a non-random basis.

A thirteen page pre-coded questionnaire was utilized during our operator interviews and the majority of numerical data collected was processed through seventeen specially-designed accommodation industry computer programs. The output from these programs is presented in a separate statistical report.

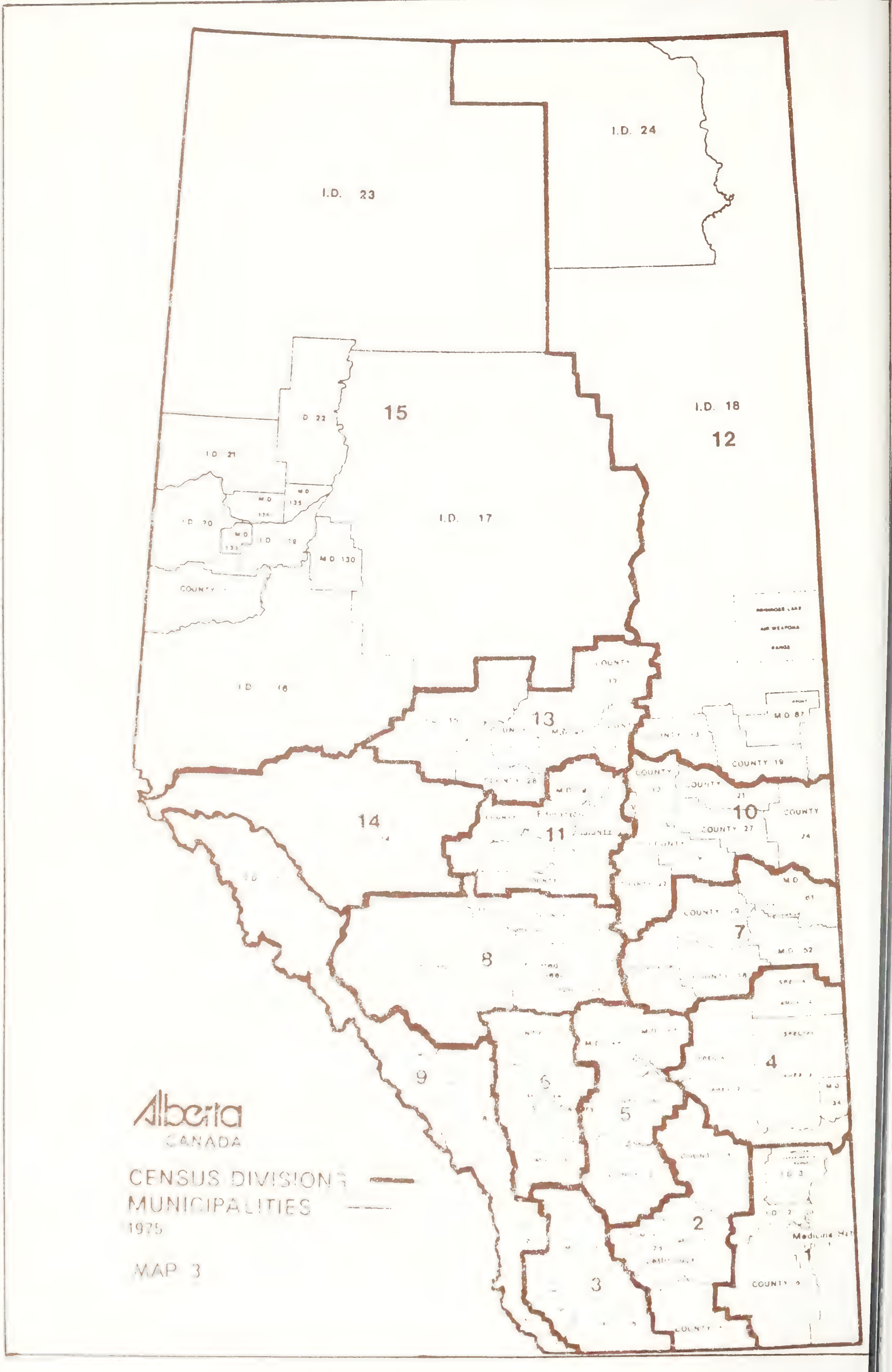
Unless otherwise stated in this methodology or within the text of the various volumes, all terms and compilations utilized in the study have been defined in each volume's glossary. In addition, region, TIAALTA zone and census division maps are included over page for the readers' convenience.



BRITISH COLUMBIA
SASKATCHEWAN
MONTANA
LAND OF THE MIGHTY PEACE
THE LAKELAND
1
NORTHERN ALBERTA
LAND OF THE MIDNIGHT TWILIGHT
GAME COUNTRY
2
EDMONTON
EVERGREEN ZONE
JASPER
BATTLE RIVER
LAND OF DAVID THOMPSON
3
CENTRAL ALBERTA
BANFF-JASPER NATIONAL PARKS
4
BANFF
THE BIG COUNTRY
CALGARY AND DISTRICT
5
Travel Alberta
REGIONS
TRAVEL INDUSTRY ASSOCIATION ZONES
1976
MAP 1
LAND OF THE BIG BLUE SKY
GATEWAY ZONE
6
SOUTHERN ALBERTA



BRITISH COLUMBIA
SASKATCHEWAN
MONTANA
LAND OF THE MIGHTY PEACE
8
THE LAKELAND
6
LAND OF THE MIDNIGHT TWILIGHT
14
GAME COUNTRY
13
11
EDMONTON
EVERGREEN ZONE
7
JASPER
9
BATTLE RIVER
5
LAND OF DAVID THOMPSON
4
BANFF
12
CALGARY
AND DISTRICT
10
THE BIG COUNTRY
3
1
LAND OF THE
BIG BLUE SKY
2
GATEWAY
ZONE
Travel Alberta
TRAVEL INDUSTRY ASSOCIATION ZONES
1976
MAP 2



I.D. 24
I.D. 23
15
I.D. 18
12
I.D. 21
I.D. 20
I.D. 17
M.D. 130
I.D. 16
13
COUNTY 19
COUNTY 28
10
COUNTY 27
14
11
8
7
M.D. 52
4
9
6
5
2
3
1
Medicine Hat
Alberta
CANADA
CENSUS DIVISIONS
MUNICIPALITIES
1975
MAP 3

In defining the Alberta accommodation industry, the following facts were established on its structure or supply profile according to region, TIAALTA zone, census division, category, size range and location parameters:

SUPPLY

- number of establishments in the province as of December 31, 1976;
- number of establishments by seasonality of operation in the province as of December 31, 1976;
- historical growth in establishments in the province between January 1972 and December 1976;
- number of available rooms in the province as of December 31, 1976;
- number of available units by type (i.e. housekeeping and non-housekeeping rooms and cabins) in the province as of December 31, 1976 (by region, TIAALTA zone and category only);
- historical growth in available rooms in the province between January 1972 and December 1976;
- number of available room nights in the province as of December 31, 1976;
- number of available room nights by season in the province;
- historical growth in available room nights in the province between January 1972 and December 1976;

. number of guests that could be accommodated in the province in 1976;

. number of available guest nights in the province in 1976 (by TIAALTA zone and category only);

. various accommodation supply figures for the Eastern Slopes region in 1976; and

TYPES OF FACILITIES AVAILABLE

. number of establishments by type of foodservice (i.e. no food-service, unlicensed foodservice and licensed foodservice according to province and category only);

. number of establishments by type of beverage service (i.e. no beverage service, licensed dining room/restaurant, cocktail/entertainment lounge, tavern and cabaret according to province and category only); and

OWNERSHIP/MANAGEMENT

. number of establishments by type of ownership/management (i.e. independent owner operated, referral owner-operated, franchise owner-operated, chain-owned and operated and chain-operated under lease or management contract in the province only):

- number of establishments by legal form of organization (i.e. individual proprietorships, partnerships and incorporated companies in the province);
- number of establishments by ownership residency (i.e. Alberta, other Canadian provinces and foreign in the province);
- average length of establishment ownership;
- average number of changes in establishment ownership between January 1972 and December 1976 (by TIAALTA zone and category only); and

---

TRADE/TRAVEL ASSOCIATION MEMBERSHIP

- number of establishments belonging to various trade associations (i.e. Alberta Hotel Association, Motel Association of Alberta, Travel Industry Association of Alberta, Canadian Automobile Association/American Automobile Association, etc.); and

---

EMPLOYMENT

- average minimum (full-time) and maximum (full-time plus part-time) number of employees (including management) per establishment;
- estimated total provincial employment in the accommodation industry in 1976; and

INVESTMENT

- value (new and repair expenditures) and trends in accommodation construction between 1968 and the first quarter of 1977 in the province);
- estimated provincial accommodation industry market value in 1976.

Whenever possible, these various structural indicators have been compared to the most recent statistics available from secondary sources in order to provide some basis of outside evaluation.

In addition, this volume represented the following facts on the Alberta accommodation industry's performance, both of a financial and demand nature according to region, TIAALTA zone, census division, category, size range, location and legal form of organization (when applicable) parameters:

OCCUPANCIES

- estimated average annual occupancies in the province for 1974-1976 inclusive (i.e. total annual occupied rooms divided by total annual available rooms x 100%);
- estimated average growth in occupancy using 1974 as base year (i.e. total 1974 occupied room nights x estimated compound growth rate = total 1976 occupied room nights);

- estimated average seasonal (winter, spring, summer, fall) occupancies in the province (i.e. total seasonal occupied rooms divided by total seasonal available rooms x 100%);
- estimated average multiple occupancy factor in the province for 1976 (i.e. total number of guests divided by total 1976 occupied rooms);
- estimated average occupancy figures for the Eastern Slopes region in 1976;
- estimated average annual occupancies for other types of fixed accommodation in the province for 1974-1976 inclusive; and

---

DEMAND SOURCES

- estimated average percentage room demand by market source (commercial-industrial, tourism, group meetings/ conventions, government and other) in the province for 1976 (i.e. total 1976 occupied rooms within respective market source divided by total 1976 occupied rooms) and recent growth rates;
- estimated average percentage room demand by guest origin (Alberta, other Canadian provinces, U.S.A. and other foreign) in the province for 1976 (i.e. total 1976 occupied rooms within respective origin group divided by total 1976 occupied rooms); and
- estimated average room demand source figures for the Eastern Slopes for1976;
- estimated average percentage room demand by guest origin for other types of fixed accommodation in the province for 1976; and

REVENUES

- estimated average room revenue per establishment and per room in the province for 1976 (i.e. total 1976 food and beverage revenue divided by number of establishments or number of rooms available respectively);
- estimated average food and beverage revenue per establishment and per room in the province for 1976 (i.e. total 1976 food and beverage revenue divided by number of establishments or number of rooms available respectively);
- estimated other revenue per establishment and per room in the province for 1976 (i.e. total 1976 other revenue divided by number of establishments or number of rooms available respectively);
- estimated total provincial revenue for the accommodation industry in 1976 by category only;
- estimated average room rate in the province for 1976 (i.e. total 1976 room revenue divided by total 1976 occupied rooms); and

PROFITABILITY

- estimated average gross operating profit (GOP) per establishment and per room by province and category only for 1976 (i.e. total 1976 GOP divided by number of establishments or number of rooms available respectively) and recent trends; estimated average operating efficiency ratio (or GOP ratio) by province and category only for 1976 (i.e. total 1976 GOP divided by total 1976 revenue);

- estimated average profit after tax (or net profit) per establishment and per room by province and category only for 1976 (i.e. total 1976 net profit divided by number of establishments or number of rooms available respectively) and recent trends estimated average profit margin by province and category only for 1976 (i.e. total 1976 net profit divided by total 1976 revenue); and

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RATES OF RETURN

- estimated average rate of return on owner's equity (ROI) per establishment by province only for 1976 (i.e. total 1976 net profit divided by owner's cumulative equity) and recent trends; and

---

OPERATING EXPENSES

- estimated average staff payroll (or salaries and wages) per establishment and per room in the province for 1976 (i.e. total 1976 staff payroll divided by number of establishments or number of rooms available respecitvely);
- estimated total provincial payroll for the accommodation industry in 1976 by category only;
- estimated average taxes paid (property and business taxes) per establishment and per room in the province for 1976 (i.e. total 1976 taxes paid divided by number of establishments or number of rooms available respectively);

. estimated total provincial taxes (property, business, alcohol/-beverage purchasing taxes and liquor license fees) for the accommodation industry in 1976 by category only.

As with the structural components, all performance indicators have also been compared, whenever possible, to the most recent statistics available from secondary sources in order to provide some basis of outside evaluation.

To determine the accommodation development opportunities in Alberta, a quantitative comparison was made of existing 1976 supply and demand for each TIAALTA zone and the Eastern Slopes region that was based on information gathered and compiled under the previous two parts of this volume (i.e. industry structure and performance). A comparison was also made of projected supply and demand for the years 1977-1980 inclusive. Based on these comparisons, each TIAALTA zone and the Eastern Slopes region were designated according to the development potential (both new property developments and upgrading of existing establishments) that they displayed. To visually illustrate the potential in each zone and the Eastern Slopes region, simple supply-demand models were developed that included base year figures (1976) and estimates for the next four years (1977-1980).

As well as providing an overall indication of the zones' and Eastern Slopes region's potential for accommodation, our analysis also showed details on the categories of accommodation, including campgrounds which would provide the greatest potential for development in these respective areas. Whenever possible, specific community locations or localized portions of these areas suitable for the recommended developments were identified.

In addition to the data collected under industry structure and performance, the various parties interviewed with respect to accommodation development potential (i.e. primarily the 230 accommodation operators, TIAALTA zone managers, Travel Alberta personnel, local Chamber of Commerce officers and local industrial/planning commissioners) were asked to express their views on the following:

ESTABLISHMENT POTENTIAL

- primary reason why visitors stay at establishment (i.e. proximity to visitors' destination, price, special facility, cleanliness/courtesy, other etc.);
- estimated percentage of repeat business;
- estimated average length of stay of guests;
- any consideration in expanding or renovating establishment;
- consultant's comments on establishment's quality standards (i.e. cleanliness and state of repair/maintenance); and

---

AREA POTENTIAL

- primary purpose of visitors in immediate area (i.e. commercial-industrial business, conventions/meetings, visit friends and relatives, sightseeing and entertainment, outdoor recreation, other such as passing through, etc.)

- potential for further accommodation development (either new plant or expansion) in area and reasons why or why not
- type of accommodation required to satisfy any perceived new demand.

In addition to the foregoing, a checklist of accommodation project evaluation procedures and model pro forma statements were developed to be utilized in judging specific accommodation development proposals. These financial models (Appendix 3: Accommodation Financial Models) reflected those categories and sizes of properties that we have proposed for development, either to new establishments or additions to existing properties. While the proposed developments outlined in Part C of this Volume can serve as a general indication of the feasibility of specific development proposals, there should also be a means of evaluating their economic feasibility, particularly if some form of government assistance is requested or required.

As previously mentioned, a review and evaluation of secondary sources of information applicable to Volume I was undertaken as documented in Appendix 6: Bibliography.

Figure 2, over page shows a schematic presentation of the methodology of Volume I: Industry Definition.

	SOURCES OF INFORMATION	TYPES OF INFORMATION COLLECTED	ANALYSIS	EVALUATION
PART A STRUCTURE	**Primary** . 230 Accommodation Operators . Operators of Other Types of Fixed Accommodation . 26 Private/Public Industrial Enterprises . Accommodation, Tourist Trade and Other Business Association Executives	. Supply Profile . Facilities Available . Ownership/Management . Trade/Travel Association Membership . Employment . Investment	. By Region, TIAALTA Zone, Census Division, Category, Size Range and Location (when applicable)	. Within Alberta and to Canada
PART B PERFORMANCE	. Municipal and Provincial Government Officials . Region Planning Commission Officers	. Occupancies . Demand Sources . Revenues . Profitability . Rates of Return . Operating Expenses	. By Region, TIAALTA Zone, Census Division, Category, Size Range, Location and Legal Form of Organization (when applicable)	. Within Alberta and to Canada/U.S.A.
PART C DEVELOPMENT OPPORTUNITIES	**Secondary Documents From** . Travel Alberta . Alberta Bureau of Statistics . Statistics Canada . Alberta Department of Consumer and Corporate Affairs . Alberta Transportarion . Alberta Liquor Control Board, etc.	. Economic Statistics by Census Division and TIAALTA Zone . TIAALTA Zone and Eastern Slopes Accommodation Supply/Demand Models . Site Selection Criteria . Area and Establishment Potential	. By TIAALTA Zone and Eastern Slopes Region (Categories for development within)	. Within Alberta

PART A

INDUSTRY STRUCTURE

"Services are rightly assumed to be the domain of the small firm and thus of the market system."

– J.K. Galbraith
Economics and the Public Purpose (1973)

"Hotels and other accommodation units differ from most other businesses in that they lack flexibility in supply."

– A.J. Burkart and S. Medlik
Tourism: Past, Present and Future (1974)

PART A

INDUSTRY STRUCTURE

I. SUPPLY PROFILE

The following subsections describe the structure of the Alberta accommodation industry with respect to establishments, rooms, room nights, guests and guest nights. When possible, these supply figures have been related to Statistics Canada's most recent traveller accommodation statistics.

I.I Number of Establishments

The accommodation industry in the Province of Alberta comprised 1,152 fixed accommodation establishments in 1976. This total provincial figure represents 643 Travel Alberta approved accommodation properties and 509 non-approved accommodation properties. The distinction between approved and non-approved accommodation properties has been defined in Appendix 5: Glossary. The approved accommodation establishments include hotels, motor hotels, motels, lodges and cabin/bungalows, while the non-approved establishments include all the preceding categories plus other fixed accommodation types (i.e., guest/tourist homes, youth hostels, YMCA/YWCAs, vacation farms/dude ranches and hunting/fishing and trail rider outfitters). Figure 3, over page displays schematically the number of approved and non-approved accommodation establishments in Alberta by category.

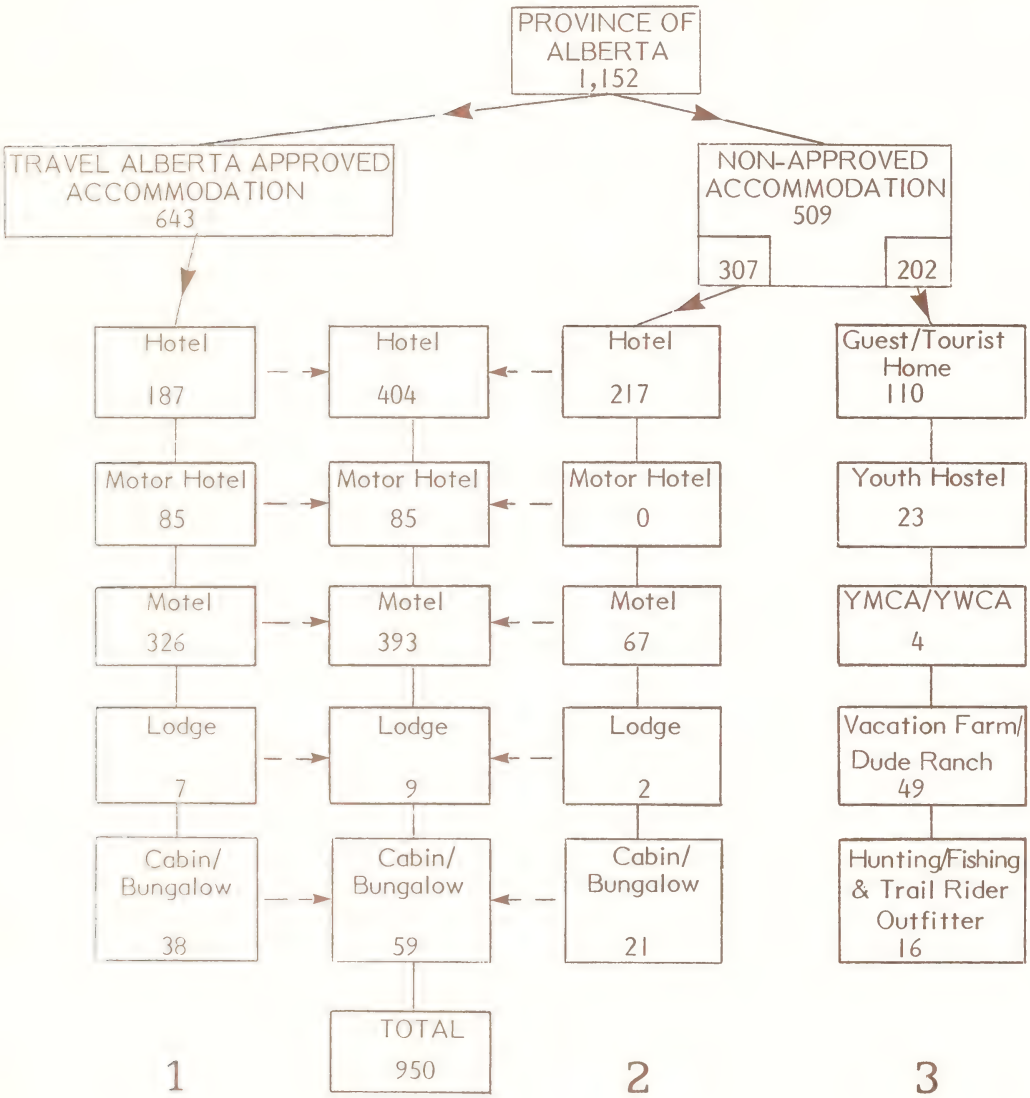
The provincial establishment total has also been presented by region, TIAALTA zone, census division, category, size range and location parameters in Table I at the end of this subsection. Two supporting tables to Table I (i.e.

FIGURE 3

ALBERTA ACCOMMODATION INDUSTRY

SCHEMATIC OF PROVINCIAL ESTABLISHMENT CAPACITY

1976



Tables 32 and 33) have been included in Appendix I which show the total approved and non-approved (excluding other fixed accommodation types - Column 3, Figure 3) establishment totals for the province respectively.

The number of accommodation establishments per TIAALTA zone, category, size range and location parameters as a percentage of the provincial total has been calculated in the following chart:

NUMBER OF ESTABLISHMENTS PER SELECTED PARAMETERS AS A PERCENTAGE OF THE PROVINCIAL TOTAL

TIAALTA Zone	% of Prov. Total	Category	% of Prov. Total	Size Range	% of Prov. Total	Location	% of Prov. Total
1	10.7	Hotel	42.5	0-9	15.6	Rural	72.8
2	5.7	Motel	41.4	10-24	41.9	Urban	27.2
3	4.6	Motor Hotel	8.9	25-49	25.0		
4	8.8	Lodge	1.0	50-75	10.3		
5	9.7	Cabin Bungalow	6.2	76-199	5.9		
6	10.4			200+	1.3		
7	6.5						
8	3.8						
9	2.5						
10	11.6						
11	9.6						
12	5.3						
13	4.8						
14	6.0						
	100.0		100.0		100.0		100.0

N.B. The above percentages were calculated on the basis of 950 accommodation establishments (Figure 3, Columns 1 and 2 with the exclusion of Column 3, other fixed accommodation types).

According to the above percentages, Calgary & District and the City of Edmonton (Zones 10 and 11 respectively) represented 21.2% of the number of accommodation establishments within the province, while Banff-Jasper National Parks and all remaining rural-oriented zones equalled 7.8% and 71.0% respectively.

The single largest category of accommodation was the hotel/motor hotel sector which represented 51.4% of Alberta's total accommodation establishments. The motel sector followed at 41.4%. The number of accommodation properties less than 49 units was found to be 82.5% of the total provincial accommodation establishment total, while those above 50 units represented 17.5%. Additionally, 72.8% of the province's accommodation establishments were rural-based as opposed to 27.2% urban.

In summary, it was concluded that the majority of the accommodation establishments in Alberta were small, rural-based properties, predominantly of the hotel (42.5%) and motel (41.4%) categories.

As previously shown in Figure 3, the province also contains various types of other fixed accommodation which include guest/tourist homes, youth hostels, YMCA/YWCAs, vacation farms/dude ranches and hunting/fishing and trail riding outfitters.

One hundred and ten guest/tourist homes were identified in Alberta with all establishments being located in Banff, Jasper and Waterton Lakes National Parks. The majority of these properties had on average less than nine available rooms.

Of the 23 youth hostels identified in the province, 13 (or 56.5%) were located in Banff-Jasper National Parks, while the remaining were situated in various cities, i.e. Edmonton, Calgary, Medicine Hat, Grande Prairie and Peace River. Eighteen (or 78.3%) of the youth hostels had less than 49 beds/spaces available.

Alberta has seven YMCA/YWCAs of which only four provide overnight accommodation. These latter facilities are evenly located in the cities of Edmonton and Calgary with the larger size properties (i.e. greater than 75 units) situated in the former community.

Forty-nine vacation farms/dude ranches were identified in the province with the majority (42 or 85.7%) located in northern and central Alberta, particularly TIAALTA zones 4, 5 and 14.

Of the 16 hunting/fishing and trail riding outfitters identified in Alberta, 13 or 81.3% were hunting/fishing outfitters located in northern Alberta, primarily TIAALTA zone 6, while the remaining 3 outfitters were of the trail riding type (i.e. those providing some type of fixed accommodation) based adjacent to Jasper National Park.

Since Statistics Canada 1976 Traveller Accommodation Statistics have not been published to date, no direct comparison can be made. However, we have provided Statistics Canada's most recent accommodation establishment statistics in relation to the number of establishments identified in this study in the following chart:

ALBERTA ESTABLISHMENT TOTAL
ACCORDING TO STATISTICS CANADA

	1970	1972	1974	1975	% of Canadian 1975 Capacity	PKF&A 1976
Total Alberta Establishments	942	944	956	980*	5.8	1,152
Hotels	456	441	454	467	9.7	498**
Motels	307	325	317	326	8.0	393
Tourist Court/Cabins	-	62	55	53	2.1	59***
Tourist Homes	-	-	-	-	-	110
Outfitters	-	10	13	14	0.7	16
Other****						76

N.B. Statistics Canada did not compile accommodation statistics for 1971 and 1973.

* Twenty establishments excluded from known universe of 1,000 properties due to failure in meeting Statistics Canada definitional requirements.

** Corresponds to hotel, motor hotel and lodge categories identified in this study.

*** Corresponds to cabin/bungalow category identified in this study.

**** Includes other fixed accommodation types identified in this study but not recorded by Statistics Canada, i.e. youth hostels, YMCA/YWCAs and vacation farms/dude ranches.

Source: 1974 and 1975 Statistics Canada Traveller Accommodation Statistics (Catalogue 63-204 Annual)

TABLE I

ALBERTA ACCOMMODATION INDUSTRY

PROVINCIAL ESTABLISHMENT TOTAL*

1976 : 950 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	300	91	219	74	110	156									
TIAALTA ZONE [b]	102	54	44	83	92	99	62	36	24	110	91	50	46	57	
CENSUS DIVISION [c]	37	53	33	16	38	105	42	69	121	67	132	53	43	43	98
CATEGORY [d]	404	393	85	9	59										
SIZE RANGE [e]	148	398	238	98	56	10	2								
LOCATION [f]	692	258													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types (Column 3, Figure 3 pg. A - 2)

According to the preceding 1975 Statistics Canada figures, the Province of Alberta ranked fourth in the number of establishments in Canada, representing 5.8% of the national accommodation establishment total.

1.2 <u>Number of Establishments by Seasonality of Operation</u>

As noted in the previous subsection, 950 fixed accommodation establishments were identified in the Province of Alberta in 1976, excluding all types of other fixed accommodation (Column 3, Figure 3), Of this total, 44 were found to be seasonal operations (i.e. operated less than 10 months a year) or 4.6% of the above provincial establishment total, while the remaining 906 were year-round operations (95.4% of the provincial total). Thirty-one of the 43 seasonal properties were Travel Alberta approved establishments.

The provincial establishment total by seasonality of operation has been presented by region, TIAALTA zone, census division, category, size range and location parameters in Table 2, opposite page. Two supporting tables to Table 2 (i.e. Tables 34 and 35) have been included in Appendix I which show the total approved and non-approved (excluding other fixed accommodation types) establishment totals by seasonality of operation for the province respectively. It should be mentioned that the numbers in the opposite table above the diagonal lines are year-round establishments while those below are seasonal.

On a TIAALTA zone basis, Banff (including Lake Louise), Jasper and Waterton Lakes National Parks (Zones 12, 9 and part of I respectively) represented the major share of seasonal establishments within the province at 70.5%. The remaining seasonal operations were spread over five other zones with the majority in Zones 4 (Land of David Thompson) and 6 (Lakeland).

TABLE 2

ALBERTA ACCOMMODATION INDUSTRY

PROVINCIAL ESTABLISHMENT TOTAL BY SEASONALITY OF OPERATION *

1976 : 906 YEAR-ROUND ESTABLISHMENTS
44 SEASONAL ESTABLISHMENTS **

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	293 / 7	91 / -	214 / 5	51 / 23	109 / 1	148 / 8									
TIAALTA ZONE [b]	94 / 8	54 / -	44 / -	78 / 5	92 / -	95 / 4	61 / 1	36 / -	13 / 11	109 / 1	91 / -	38 / 12	45 / 1	56 / 1	
CENSUS DIVISION [c]	37 / -	53 / -	33 / -	16 / -	38 / -	105 / -	42 / -	64 / 5	89 / 32	67 / -	132 / -	49 / 4	42 / 1	42 / 1	97 / 1
CATEGORY [d]	402 / 2	386 / 7	85 / -	4 / 5	29 / 30										
SIZE RANGE [e]	138 / 10	382 / 16	225 / 13	96 / 2	54 / 2	9 / 1	2 / -								
LOCATION [f]	648 / 44	258 / -													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

** Establishments operating less than 10 months a year (Statistics Canada)
N.B. Numbers above the diagonal lines refer to year-round establishments while those below are seasonal

The category of accommodation that represented the major portion of seasonal establishments was cabin/bungalows (68.2%) with motels a distant second (15.9%). The number of seasonal properties less than 49 units was found to be 88.6%, while those above 50 units represented 11.4%. In addition, all of the seasonal establishments were rural-based.

In summary, it was concluded that the predominant share of seasonal accommodation establishments in Alberta were small, rural-based cabin/bungalow properties located in the province's above three main National Parks.

With respect to the other types of fixed accommodation available in the province, their breakdown as to seasonality of operation follows:

OTHER TYPES OF FIXED ACCOMMODATION	NUMBER OF ESTABLISH MENTS	YEAR-ROUND	SEASONAL*	% SEASONAL
Guest/Tourist Homes**	110	27	83	75.5
Youth Hostels	23	8	15	65.2
YMCA/YWCAs	4	4	-	-
Vacation Farms/Dude Ranches	49	32	17	34.7
Hunting/Fishing & Trail Riding Outfitters	16	4	12	75.0
TOTAL	202	75	127	62.9

* Establishments operating less than 10 months a year (Statistics Canada)

** Jasper National Park: 30 seasonal, 15 year-round
Banff National Park: 52 seasonal, 12 year-round
Waterton Lakes National Park: 1 seasonal

1.3 Historical Growth in Establishments

Over the five year period from January 1972 to December 1976, 103 new accommodation establishments were built in the Province of Alberta. Of this total, 99 became Travel Alberta approved properties. These new accommodation developments represent all major categories of accommodation but exclude other types of fixed accommodation such as guest/tourist homes, youth hostels, etc.

The provincial historical growth in the number of new accommodation properties has been presented by region, TIAALTA zone, census division, category, size range and location parameters in Table 3, at the end of this subsection.

The number of new accommodation establishments per region, TIAALTA zone, category, size range and location parameters as a percentage of the provincial growth in new properties over the five year span has been calculated in the following chart:

NUMBER OF NEW ACCOMMODATION ESTABLISHMENTS PER SELECTED PARAMETERS AS A PERCENTAGE OF THE PROVINCIAL GROWTH

Region	% of Prov. Growth	TIAALTA Zone	% of Prov. Growth	Category	% of Prov. Growth	Size Range	% of Prov. Growth	Location	% of Prov. Growth
1	37.9	1	6.8	Hotel	11.6	0-9	3.9	Rural	52.4
2	16.5	2	7.8	Motel	51.5	10-24	15.5	Urban	47.6
3	11.7	3	-	Motor Hotel	34.0	25-49	39.8		
4	6.8	4	4.9	Lodge	1.9	50-75	22.3		
5	12.6	5	6.8	Cabin/ Bungalow	1.0	76-199	16.5		
6	14.5	6	12.6			200+	2.0		
		7	6.8						
		8	2.9						
		9	-						
		10	12.6						
		11	16.4						
		12	6.8						
		13	7.8						
		14	7.8						
	100.0		100.0		100.0		100.0		100.0

N.B. The above percentages were calculated on the basis of 103 new accommodation establishments built in the province between January 1972 and December 1976.

On a regional basis, Northern Alberta experienced the greatest share in the number of new accommodations at 37.9%, while Banff-Jasper National Parks the least at 6.8%. However, on a TIAALTA zone basis, Zones 11 (City of Edmonton), 10 (Calgary & District) and 6 (Lakeland) showed the greatest portions of new accommodation establishment growth with the former at 16.4%, and the remaining two at 12.6% respectively.

Of the five main categories of accommodation, motels and motor hotels represented the highest proportion of new accommodation developments over the five year period at 51.5% and 34.0% respectively. The number of new accommodation properties less than 49 units was found to be 59.2% of the total provincial establishment growth, while those above 50 units represented 40.8%. Additionally, 52.4% of the province's new accommodation developments were rural-based, compared to 47.6% urban.

In summary, it was concluded that the majority of new accommodation establishment growth in Alberta over the 1972-1976 period was recorded for small establishments, either of the motel or motor hotel type occurring principally in Edmonton, Calgary and other major communities in Northern Alberta.

Due to insufficient data available on the growth of new establishments in the other types of fixed accommodation, no complete recording of developments over the five year period was able to be compiled. However, a cursory overview of the five other types of accommodation show that the majority have been built prior to 1972, except for a few guest homes, YMCA/YWCAs and youth hostels.

TABLE 3

ALBERTA ACCOMMODATION INDUSTRY

HISTORICAL GROWTH IN ESTABLISHMENTS *

JAN. 1972 - DEC. 1976 : 103 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	39	17	12	7	13	15									
TIAALTA ZONE [b]	7	8	-	5	7	13	7	3	-	13	17	7	8	8	
CENSUS DIVISION [c]	5	7	1	-	1	13	3	3	10	6	20	9	5	5	15
CATEGORY [d]	12	53	35	2	1										
SIZE RANGE [e]	4	16	41	23	17	2	-								
LOCATION [f]	54	49													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

Discounting the small growth in the above other types of fixed accommodation, it can be surmised that the number of new accommodation establishments in the Province of Alberta has been growing at an annual 3% average compound rate, using 1972 as base year (847 establishments).

1.4 Number of Available Rooms

The accommodation industry in the Province of Alberta had 32,255 available rooms in 1976. This provincial figure includes rooms available on both a year-round and seasonal basis, but excludes rooms, when identified, of other fixed accommodation types (Column 3, Figure 3). Of the total provincial available rooms, 27,102 (or 84%) were in Travel Alberta approved establishments and 5,153 (or 16%) were non-approved.

The total provincial available room capacity has been presented by region, TIAALTA zone, census division, category, size range and location parameters in Table 4 at the end of this subsection. Two supporting tables to Table 4 (i.e. Tables 36 and 37) have also been included in Appendix I which show the total approved and non-approved available room capacities for the province respectively.

The available room capacities per TIAALTA zone, category, size range and location parameters as a percentage of the provincial capacity have been calculated in the following chart:

AVAILABLE ROOM CAPACITIES PER SELECTED PARAMETERS AS A PERCENTAGE OF THE PROVINCIAL CAPACITY

TIAALTA Zone	% of Prov. Capacity	Category	% of Prov. Capacity	Size Range	% of Prov. Capacity	Location	% of Prov. Capacity
1	8.1	Hotel	44.1	0-9	3.1	Rural	49.7
2	4.6	Motel	32.4	10-24	19.5	Urban	50.3
3	2.2	Motor Hotel	18.1	25-49	26.0		
4	6.0	Lodge	2.1	50-75	18.1		
5	5.4	Cabin/ Bungalow	3.3	76-199	19.6		
6	6.4			200-499	10.3		
7	3.9			500+	3.4		
8	2.4						
9	4.8						
10	20.5						
11	19.3						
12	9.5						
13	3.6						
14	3.3						
	100.0		100.0		100.0		100.0

N.B. The above percentages were calculated on the basis of 32,255 available rooms, excluding rooms for other fixed accommodation types.

According to the above percentages, Calgary & District and the City of Edmonton (Zones 10 and 11 respectively) represented 39.8% of the total available rooms within the province, while Banff-Jasper National Parks and all remaining rural-based zones equalled 14.3% and 45.9% respectively.

The single largest category of accommodation was the hotel/motor hotel sector which represented 62.2% of Alberta's total available rooms. The motel sector followed at 32.4%. The number of available rooms in those establishments with less than 75 units was found to be 66.7% of the total provincial available room capacity, while those properties above 76 units represented 33.3%. In addition, 50.3% of the province's available room capacity was urban-based as compared to 49.7% rural.

In summary, it was concluded that the majority of the available rooms in Alberta was represented by small hotels or motels evenly located in urban or rural areas.

With respect to the other five types of fixed accommodation in the province, their breakdown as to available rooms follows:

OTHER TYPES OF FIXED ACCOMMODATION	AVAILABLE ROOMS
Guest/Tourist Homes*	327
Youth Hostels	N/A
YMCA/YWCAs	335 + 2 dormitories @ 16 beds each
Vacation Farms/Dude Ranches	N/A
Hunting/Fishing & Trail Riding Outfitters	N/A
TOTAL	662+

N/A: Not available and/or applicable.

* Jasper National Park: 100 rooms available
Banff National Park: 220 rooms available
Waterton Lakes National Park: 7 rooms available

In comparison to Statistics Canada's most recent accommodation statistics, the following number of rooms have been recorded in the province since 1974:

TOTAL ALBERTA ROOM CAPACITY
ACCORDING TO STATISTICS CANADA

	1974	1975	% to Canadian 1975 Capacity	PKF&A 1976
Total Alberta Rooms	27,649	29,338	9.6	32,917
Hotels	18,918	20,333	10.6	20,758*
Motels	7,721	8,051	10.3	10,441
Tourist Court/Cabins	899	839	3.9	1,056**
Tourist Homes	-	-	-	327
Outfitters	111	115	0.8	N/A
Other***	-	-	-	335

N/A: Not available.

* Corresponds to hotel, motor hotel and lodge categories identified in this study.
** Corresponds to cabin/bungalow category identified in this study.
*** Includes one other fixed accommodation type identified in this study but not recorded by Statistics Canada, i.e. YMCA/YWCAs.

SOURCE: 1974 and 1975 Statistics Canada Traveller Accommodation Statistics.

According to the preceding 1975 Statistics Canada figures, the Province of Alberta ranked fourth in the number of available rooms in Canada, representing 9.6% of the total national accommodation room capacity.

TABLE 4

ALBERTA ACCOMMODATION INDUSTRY

TOTAL PROVINCIAL AVAILABLE ROOM CAPACITY *

1976 : 32,255 ROOMS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	6,328	6,185	4,379	4,613	6,627	4,123									
TIAALTA ZONE [b]	2,627	1,496	694	1,947	1,738	2,069	1,249	771	1,556	6,627	6,185	3,057	1,171	1,068	
CENSUS DIVISION [c]	1,086	1,670	619	260	604	6,598	820	1,634	5,588	1,201	6,926	1,246	631	982	2,390
CATEGORY [d]	14,221	10,441	5,834	703	1,056										
SIZE RANGE [e]	1,015	6,291	8,370	5,824	6,329	3,322	1,104								
LOCATION [f]	16,027	16,228													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

1.5 Number of Available Units by Type

Since complete information was not readily available for the total provincial available unit capacity by type (i.e. housekeeping/kitchenettes versus non-housekeeping rooms and cabins), we were able only to delineate available unit capacity by type for Travel Alberta approved establishments (i.e. 643 properties or 27,102 available units).

The approved available unit capacity by type per region, TIAALTA zone and category parameters has been presented in Table 5 opposite page. Of the 27,102 approved available rooms/cabins, 24,059 (or 88.8%) were found to be non-housekeeping, while 3,043 (or 11.2%) were housekeeping/kitchenettes. This latter figure comprised 2,480 housekeeping rooms and 563 housekeeping cabins.

The number of housekeeping rooms/cabins by the above three parameters as a percentage of the total housekeeping unit capacity (i.e. 3,043 rooms/cabins) was calculated in the following chart:

TABLE 5

ALBERTA ACCOMMODATION INDUSTRY

APPROVED AVAILABLE UNIT CAPACITY BY TYPE

1976: 27,102 ROOMS/CABINS

Region	NHR	HR	NHC	HC
1	3,998	653	18	26
2	5,041	487	24	22
3	2,994	238	-	40
4	3,404	438	223	429
5	5,317	354	57	28
6	2,981	310	2	18
	23,735	2,480	324	563

Zone	NHR	HR	NHC	HC
1	1,807	204	2	18
2	1,174	106	-	-
3	477	29	-	10
4	1,437	144	-	30
5	1,080	65	-	-
6	1,202	170	-	-
7	808	201	8	13
8	470	47	-	-
9	989	192	157	204
10	5,317	354	57	28
11	5,041	487	24	22
12	2,415	246	66	225
13	809	187	10	10
14	709	48	-	3
	23,735	2,480	324	563

Category	NHR	HR	NHC	HC
Hotel	10,220	122	-	-
Motel	7,169	2,229	-	-
Motor Hotel	5,715	119	-	-
Lodge	631	10	-	-
Cabin/Bungalow	-	-	324	563
	23,735	2,480	324	563

NHR = Non-housekeeping rooms
HR = Housekeeping (kitchenette) rooms
NHC = Non-housekeeping cabins
HC = Housekeeping (kitchenettes) cabins

NUMBER OF HOUSEKEEPING ROOMS/CABINS PER SELECTED PARAMETERS AS A PERCENTAGE OF THE APPROVED HOUSEKEEPING UNIT CAPACITY

Region	% of Hskpg. Unit Capacity	TIAALTA Zone	% of Hskpg. Unit Capacity	Category	% of Hskpg. Unit Capacity
1	22.3	1	7.3	Hotel	4.0
2	16.7	2	3.5	Motel	73.3
3	9.1	3	1.3	Motor Hotel	3.9
4	28.5	4	5.7	Lodge	0.3
5	12.6	5	2.1	Cabin/Bungalow	18.5
6	10.8	6	5.6		
		7	7.0		
		8	1.5		
		9	13.0		
		10	12.6		
		11	16.7		
		12	15.5		
		13	6.5		
		14	1.7		
	100.0		100.0		100.0

N.B. The above percentages were calculated in the basis of 3,043 approved housekeeping/kitchenette units.

According to the above percentages, the City of Edmonton, Banff/-Lake Louise, Jasper National Park and Calgary & District (Zones 11, 12, 9 and 10 respectively) represented the majority of the total approved housekeeping units within the province at 57.8%. The category of accommodation that had the greatest number of housekeeping units available was motels at 73.3% with cabin/bungalows a distant second at 18.5%.

1.6 Historical Growth in Available Rooms

Over the five year period from January 1972 to December 1976, 7,321 new accommodation rooms became available in the Province of Alberta. This net growth in rooms was derived from a gross increase of 7,711 rooms minus a 390 decrease in room supply. Of this net growth figure, 7,189 are in Travel Alberta approved properties. In addition, the 7,321 new rooms represented 5,862 rooms as part of new establishment developments, while the remaining 1,829 represented additions to existing properties. These new accommodation units represent all major categories of accommodation but exclude other types of fixed accommodation such as guest/tourist homes, youth hostels, etc.

The provincial historical growth in numbers of new accommodation rooms has been presented by region, TIAALTA zone, census division, category, size range and location parameters in Table 6 at the end of this subsection.

The number of new accommodation rooms per region, TIAALTA zone, category, size range and location parameters as a percentage of the provincial growth in new rooms over the five year span has been calculated in the following chart:

NUMBER OF NEW ACCOMMODATION ROOMS PER SELECTED PARAMETERS AS A PERCENTAGE OF THE PROVINCIAL GROWTH

Region	% of Prov. Growth	TIAALTA Zone	% of Prov. Growth	Category	% of Prov. Growth	Size Range	% of Prov. Growth	Location	% of Prov. Growth
1	22.0	1	5.9	Hotel	18.5	0-9	0.3	Rural	31.0
2	25.9	2	5.4	Motel	40.6	10-24	5.7	Urban	69.0
3	9.1	3	0.4	Motor Hotel	39.4	25-49	21.7		
4	5.8	4	5.1	Lodge	0.9	50-75	23.1		
5	25.9	5	3.6	Cabin/ Bungalow	0.6	76-199	37.4		
6	11.3	6	8.0			200-499	10.1		
		7	3.7			500+	1.7		
		8	1.8						
		9	0.3						
		10	25.9						
		11	25.9						
		12	5.5						
		13	4.6						
		14	3.9						
	100.0		100.0		100.0		100.0		100.0

N.B. The above percentages were calculated on the basis of 7,321 new accommodation rooms made available in the province between January 1972 and December 1976.

On a regional basis, the City of Edmonton and Calgary & District experienced the greatest share in new accommodation rooms constructed at 51.8%, while Banff-Jasper National Parks the least at 5.8%. These percentages are further underlined when reviewing shares by TIAALTA zone.

TABLE 6

ALBERTA ACCOMMODATION INDUSTRY

HISTORICAL GROWTH IN AVAILABLE ROOMS *

JAN. 1972 - DEC. 1976 : 7,321 ROOMS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	1,607	1,896	665	425	1,903	825									
TIAALTA ZONE [b]	431	394	29	374	262	586	270	132	22	1,903	1,896	403	336	283	
CENSUS DIVISION [c]	296	440	30	31	21	1,829	111	307	605	161	2,027	511	124	186	642
CATEGORY [d]	1,358	2,971	2,883	62	47										
SIZE RANGE [e]	18	419	1,589	1,692	2,739	738	126								
LOCATION [f]	2,275	5,046													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

Of the five main categories of accommodation, motels and motor hotels represented the highest proportion of new rooms built over the five year period at 40.6% and 39.4% respectively. The number of new rooms constructed in establishments less than 75 units was found to be 50.8% of the provincial total, while those above 76 units represented 49.2%. Additionally, 69% of the province's new accommodation rooms was urban-based, compared to 31% rural.

In summary, it was concluded that the majority of new accommodation rooms built in Alberta over the 1972-1976 period occurred in intermediate size (50-199 units), urban-based properties, either of the motel or motor hotel type and principally located in the province's two main cities of Edmonton and Calgary.

Due to the insufficient data available on the growth of available rooms in the other types of fixed accommodation and in the nature of these types themselves (i.e., some not structured as rooms per se and others providing only bed capacities), no complete recording of new rooms over the five year period was able to be compiled.

Using 1972 as a base year (24,934 available rooms), it can be concluded that the number of new available rooms in the Province of Alberta has been growing at about 6.6% per year.

1.7 Number of Available Room Nights

The accommodation industry in the Province of Alberta had 11,453,096 available room nights in 1976. This total provincial figure has been derived by taking into consideration rooms available on a year-round and seasonal basis, but excluding room nights available for other fixed accommodation types. With this in mind, the above figure represents 9,605,426 (or 83.9%) room nights in Travel Alberta approved properties and 1,847,670 (or 16.1%) room nights in non-approved establishments.

The total provincial available room night capacity has been presented by region, TIAALTA zone, census division, category, size range and location parameters in Table 7 at the end of this subsection. Two supporting tables to Table 7 (i.e., Tables 38 and 39) have also been included in Appendix I which shows the total approved and non-approved available room night capacities for the province respectively.

The available room night capacities per TIAALTA zone, category, size range and location parameters as a percentage of the provincial capacity have been calculated in the following chart:

AVAILABLE ROOM NIGHT CAPACITIES PER SELECTED PARAMETERS AS A PERCENTAGE OF THE PROVINCIAL CAPACITY

TIAALTA Zone	% of Prov. Capacity	Category	% of Prov. Capacity	Size Range	% of Prov. Capacity	Location	% of Prov. Capacity
1	7.9	Hotel	44.9	0-9	3.2	Rural	48.3
2	4.8	Motel	33.0	10-24	19.6	Urban	51.7
3	2.2	Motor Hotel	18.6	25-49	25.7		
4	6.1	Lodge	1.3	50-75	18.4		
5	5.5	Cabin / Bungalow	2.2	76-199	19.7		
6	6.6			200-499	9.9		
7	4.0			500+	3.5		
8	2.5						
9	3.9						
10	21.0						
11	19.7						
12	8.7						
13	3.7						
14	3.4						
	100.0		100.0		100.0		100.0

N.B. The above percentages were calculated on the basis of 11,453,096 available room nights, excluding room nights for other fixed accommodation types.

According to the above percentages, Calgary & District and the City of Edmonton (Zones 10 and 11 respectively) represented 40.7% of the total available room nights within the province, while Banff-Jasper National Parks and all remaining rural-based zones equalled 12.6% and 46.7% respectively.

TABLE 7

ALBERTA ACCOMMODATION INDUSTRY

TOTAL PROVINCIAL AVAILABLE ROOM NIGHT CAPACITY *

1976 : 11,453,096 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	2,304,878	2,257,525	1,589,608	1,441,768	2,409,202	1,450,115									
TIAALTA ZONE [b]	904,075	546,040	253,310	701,928	634,370	752,813	455,155	281,415	441,466	2,409,202	2,257,525	1,000,302	427,061	388,434	
CENSUS DIVISION [c]	396,390	609,550	225,935	94,900	220,460	2,408,270	299,300	587,683	1,733,210	438,365	2,527,990	452,418	228,929	357,700	871,996
CATEGORY [d]	5,146,086	3,776,055	2,129,410	145,417	256,128										
SIZE RANGE [e]	361,436	2,243,096	2,950,839	2,104,507	2,256,983	1,133,275	402,960								
LOCATION [f]	5,529,875	5,923,220													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

By category of accommodation, the hotel/motor hotel sector represented the greater share of Alberta's total available room nights at 63.5% with motels following at 33%. the number of available room nights for those establishments less than 75 units was found to be 66.9% of the total provincial available room night capacity, while those properties above 76 units represented 33.1%. In addition, 51.7% of the province's available room night capacity was urban-based as compared to 48.3% rural.

In summary, it was concluded that the majority of the available room nights in Alberta was represented by small hotels or motels, evenly located in urban or rural areas.

With respect to the other types of fixed accommodation in the province, their breakdown as to available room nights could not be compiled due to the non-availability and/or non-applicability of rooms to certain categories and if the number of rooms were available, the exact seasonality of individual operations was variable or not known, e.g., guest/tourist homes.

1.8 Number of Available Room Nights by Season

As mentioned in the previous subsection, the accommodation industry in the Province of Alberta provided 11,453,096 available room nights in 1976. On a seasonal and Travel Alberta approved/non-approved basis, this provincial room night capacity figure which excludes room nights available in other fixed accommodation types, has been broken down as follows:

PROVINCIAL ROOM NIGHT CAPACITY BY SEASON

	Winter (Dec. 1- Mar. 31)	Spring (Apr. 1- June 15)	Summer (June 16- Sept. 15)	Fall (Sept. 16- Nov. 30)	Annual
Approved	3,117,020	2,008,921	2,492,878	1,986,607	9,605,426
Non-Approved	611,105	385,789	469,451	381,325	1,847,670
Provincial Total	3,728,125	2,394,710	2,962,329	2,367,932	11,453,096
Percentage of Provincial Total	32.6 *	20.9	25.9	20.6	

* The provincial room night capacity is significantly higher in winter than summer due to seasonal breakdowns. Since the winter season is longer than summer by 29 days (121-92) and the fact that seasonal operations are a minor factor when compared to the total accommodation establishment base, it is understandable that this season would have more room nights available.

The provincial room night capacity by season has also been presented by region, TIAALTA zone, census division, category, size range and location parameters in Tables 8 (Winter), 9 (Spring), 10 (Summer) and 11 (Fall), over page. Two supporting tables to each of the above seasonal tables have additionally been included in Appendix I (Tables 40 47 inclusive) which shows the total approved and non-approved available room night capacities by season for the province.

With respect to the other types of fixed accommodation in the province, their breakdown as to available room nights by season could not be compiled for the same reasons noted in the previous subsection.

TABLE 8

ALBERTA ACCOMMODATION INDUSTRY

TOTAL PROVINCIAL AVAILABLE ROOM NIGHT CAPACITY *

WINTER SEASON ** : 3,728,125 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	763,680	749,498	525,436	415,555	803,051	470,905									
TIAALTA ZONE [b]	289,621	181,284	84,099	230,726	210,611	249,146	150,869	93,430	108,214	803,051	749,498	307,341	141,542	128,693	
CENSUS DIVISION [c]	131,602	202,370	75,011	31,506	73,191	799,546	99,368	192,798	504,977	145,538	839,292	149,415	75,737	118,514	289,260
CATEGORY [d]	1,699,109	1,245,128	706,964	23,241	53,683										
SIZE RANGE [e]	117,064	731,806	961,311	693,149	743,907	347,105	133,783								
LOCATION [f]	1,761,617	1,966,508													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

** December 1 - March 31 : 121 days

TABLE 9

ALBERTA ACCOMMODATION INDUSTRY

TOTAL PROVINCIAL AVAILABLE ROOM NIGHT CAPACITY *

SPRING SEASON ** : 2,394,710 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	479,895	469,565	331,387	309,536	501,705	302,622									
TIAALTA ZONE [b]	189,045	113,577	52,689	146,749	131,949	156,897	94,769	58,535	102,874	501,705	469,565	206,662	88,906	80,788	
CENSUS DIVISION [c]	82,449	126,787	46,995	19,743	45,856	500,920	62,254	122,985	371,744	91,180	525,822	94,415	47,611	74,497	181,452
CATEGORY [d]	1,066,981	787,809	442,917	37,330	59,673										
SIZE RANGE [e]	76,212	469,683	618,276	439,046	465,928	241,749	83,816								
LOCATION [f]	1,162,680	1,232,030													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

** April 1 - June 15 : 76 days

TABLE 10

ALBERTA ACCOMMODATION INDUSTRY

TOTAL PROVINCIAL AVAILABLE ROOM NIGHT CAPACITY *

SUMMER SEASON ** : 2,962,329 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	582,041	568,897	402,763	424,345	605,045	379,238									
TIAALTA ZONE [b]	241,636	137,602	63,834	179,069	159,860	190,299	114,879	70,917	143,122	605,045	568,897	281,223	107,708	98,238	
CENSUS DIVISION [c]	99,890	153,607	56,936	23,964	55,556	606,884	75,424	150,279	509,474	110,468	637,054	114,596	58,043	90,322	219,832
CATEGORY [d]	1,308,056	960,367	536,612	60,167	97,127										
SIZE RANGE [e]	93,333	578,641	765,396	535,694	582,147	305,572	101,546								
LOCATION [f]	1,469,677	1,492,652													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

** June 16 - September 15 : 92 days

TABLE 11

ALBERTA ACCOMMODATION INDUSTRY

TOTAL PROVINCIAL AVAILABLE ROOM NIGHT CAPACITY *

FALL SEASON ** : 2,367,932 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	479,262	469,565	330,022	292,332	499,401	297,350									
TIAALTA ZONE [b]	183,773	113,577	52,688	145,384	131,950	156,471	94,638	58,533	87,256	499,401	469,565	205,076	88,905	80,715	
CENSUS DIVISION [c]	82,449	126,786	46,993	19,739	45,857	500,930	62,254	121,610	346,965	91,180	525,822	93,990	47,538	74,367	181,452
CATEGORY [d]	1,071,939	782,752	442,917	24,679	45,645										
SIZE RANGE [e]	74,827	462,968	605,854	436,618	465,001	238,849	83,815								
LOCATION [f]	1,135,904	1,232,028													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

** September 16 - November 30 : 76 days

1.9 Historical Growth in Available Room Nights

Over the five year period from January 1972 to December 1976, 2,662,512 room nights became newly available in the Province of Alberta. This growth in room nights represents all major categories of accommodation but excludes other types of fixed accommodation such as guest/tourist homes, youth hostels, etc.

The provincial historical growth in the number of new available room nights has been presented by region, TIAALTA zone, census division, category, size range and location parameters in Table 12, opposite page.

Since the number of new room nights is directly related to the growth in available rooms as shown in subsection 1.6, the respective parameter totals as a percentage of the provincial growth capacity in both cases are identical.

With respect to the other types of fixed accommodation in the province, their growth in available room nights could not be compiled for the same reasons noted in subsection 1.7.

Using 1972 as a base year (8,790,584 available room nights), it can be concluded that the growth in available room nights in the Province of Alberta has been increasing at a 6.8% average annual compound rate.

1.10 Number of Guests and Available Guest Nights

The accommodation industry in the Province of Alberta had a total guest capacity of 86,485 in 1976. This maximum figure means that on any given

TABLE 17

ALBERTA ACCOMMODATION INDUSTRY

HISTORICAL GROWTH IN AVAILABLE ROOM NIGHTS *

JAN.1972 - DEC.1976 : 2,662,512 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	586,555	692,040	242,725	155,125	684,942	301,125									
TIAALTA ZONE [b]	157,315	143,810	10,585	136,510	95,630	213,890	98,550	48,180	8,030	684,942	692,040	147,095	122,640	103,295	
CENSUS DIVISION [c]	108,040	160,600	10,950	11,315	7,665	667,585	40,515	112,055	211,172	58,765	739,855	186,515	45,260	67,890	234,330
CATEGORY [d]	495,670	1,084,415	1,052,295	12,977	17,155										
SIZE RANGE [e]	6,570	152,935	570,332	617,580	999,735	269,370	45,990								
LOCATION [f]	820,722	1,841,790													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

day during the peak summer season, the Alberta accommodation industry could accommodate this number of guests while in the off-season, a figure somewhat less than this would be available since seasonal operations would be taken into consideration. In addition, this provincial capacity excludes the number of guests that could be accommodated in other fixed accommodation types. The above guest capacity figure represents 74,097 (or 85.7%) potential guests accommodated in Travel Alberta approved establishments and 12,388 (or 14.3%) potential guests accommodated in non-approved establishments.

The total provincial guest capacity has been presented by region, TIAALTA zone, census division, category, size range and location parameters in Table 13 at the end of this subsection. Two supporting tables to Table 13 (i.e., Tables 48 and 49) have also been included in Appendix I which show the total approved and non-approved guest capacities for the province respectively.

The available guest capacities per TIAALTA zone, category, size range and location parameters as a percentage of the provincial capacity have been calculated in the following chart:

AVAILABLE GUEST CAPACITIES PER SELECTED PARAMETERS AS A PERCENTAGE OF THE PROVINCIAL CAPACITY

TIAALTA Zone	%of Prov. Capacity	Category	% of Prov. Capacity	Size Range	% of Prov. Capacity	Location	% of Prov. Capacity
1	7.9	Hotel	37.4	0-9	3.2	Rural	50.6
2	4.9	Motel	36.8	10-24	20.0	Urban	49.4
3	2.0	Motor Hotel	19.3	25-49	26.3		
4	6.1	Lodge	1.8	50-75	19.9		
5	4.8	Cabin/Bungalow	4.7	76-199	19.4		
6	6.2			200-499	8.6		
7	4.0			500+	2.6		
8	2.3						
9	5.5						
10	20.1						
11	18.9						
12	10.0						
13	4.1						
14	3.2						
	100.0		100.0		100.0		100.0

N.B. The above percentages were calculated on the basis of 86,485 quests that could be accommodated in the province's lodging establishments.

According to the above percentages, Calgary & District and the City of Edmonton (Zones 10 and 11 respectively) represented 39% of the total provincial guest capacity, while Banff-Jasper National Parks and all remaining rural-based zones equalled 15.5% and 45.5% respectively.

By category of accommodation, the hotel/motor hotel sector represented the greater share of Alberta's guest capacity at 56.7% with motels following at 36.8%. The total guest capacity for those establishments less than 75 units was found to be 69.4% of the provincial capacity, while those properties above 76 units represented 30.6%. In addition, approximately one half of the province's total guest capacity was urban-based.

In summary, it was concluded that the majority of Alberta's guest capacity was represented by small hotels and motels, evenly located between urban and rural areas.

With respect to the other types of fixed accommodation available in the province, their breakdown as to guest capacities (in this case by beds) follows:

OTHER TYPES OF FIXED ACCOMMODATION	GUEST (BED) CAPACITY
Guest/Tourist Homes *	932
Youth Hostels **	893
YMCA/YWCAs ***	501
Vacation Farms/Dude Ranches ****	347
Hunting/Fishing & Trailer Rider Outfitters	N/A
TOTAL	2,673+

N/A: Not available

* Jasper National Park: 238 beds
Banff National Park: 666 beds
Waterton Lakes National Parks: 28 beds

** Of which 330 year-round and 563 seasonal;
in 1977, 992 available beds of which 459 year-round and 533 seasonal

*** 501 total beds available of which 320 transient

**** Travel Alberta estimate

TABLE 13

ALBERTA ACCOMMODATION INDUSTRY

TOTAL PROVINCIAL GUEST CAPACITY *

1976 : 86,485 GUESTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	17,126	16,330	11,163	13,480	17,363	11,023									
TIAALTA ZONE [b]	6,831	4,192	1,728	5,252	4,183	5,337	3,479	1,991	4,790	17,363	16,330	8,690	3,510	2,809	
CENSUS DIVISION [c]	3,117	4,065	1,768	656	1,522	17,074	1,958	4,475	16,321	2,979	18,098	3,297	1,528	2,867	6,760
CATEGORY [d]	32,274	31,856	16,709	1,545	4,101										
SIZE RANGE [e]	2,739	17,311	22,747	17,176	16,790	7,472	2,250								
LOCATION [f]	43,738	42,747													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes number of guests accommodated in other fixed accommodation types

Since the number of available rooms, room nights and guest capacities have been compiled, another guest capacity statistic was developed, that is, the number of available guest nights. Table 14, opposite page displays how this statistic was developed and shows the number of available guest nights by category and TIAALTA zone including minimum (off-season) and maximum (peak summer season) capacity figures. These figures exclude other types of fixed accommodation since their capacities are recorded as beds available.

The maximum available guest nights for the Province of Alberta in 1976 was found to be 31,567,025. Due to rounding, the minimum guest night capacity ranged from 30,612,818 to 30,709,068 by category and from 30,645,217 to 30,709,068 by TIAALTA zone.

TABLE 14

ALBERTA ACCOMMODATION INDUSTRY

TOTAL PROVINCIAL AVAILABLE GUEST NIGHT CAPACITY *

1976: 31,567,025 MAXIMUM GUEST NIGHTS

Statistical Parameter	Available Rooms (1)	Guest Capacity (2)	Number of Guests Per Room ** (3)	Available Room Nights (4)	Available Guest Nights (Minimum) *** (5)	Available Guest Nights (Maximum) **** (6)
Category						
Hotel	14,221	32,274	2.2694607	5,146,086	11,678,840	11,780,010
Motel	10,441	31,856	3.0510488	3,776,055	11,520,928	11,629,440
Motor Hotel	5,834	16,709	2.8640727	2,129,410	6,098,785	6,098,785
Lodge	703	1,545	2.1977240	145,417	319,586	563,925
Cabin/Bungalow	1,056	4,101	3.8835227	256,128	994,679	1,496,865
TOTAL Categories	32,255	86,485	2.6812897	11,453,096	30,612,818	31,567,025
TIAALTA Zone						
1	2,627	6,831	2.6003045	904,075	2,350,870	2,493,315
2	1,496	4,192	2.8021390	546,040	1,530,080	1,530,080
3	694	1,728	2.4899135	253,310	630,720	630,720
4	1,947	5,252	2.6974833	701,928	1,893,439	1,916,980
5	1,738	4,183	2.4067894	634,370	1,526,795	1,526,795
6	2,069	5,337	2.5795070	752,813	1,941,886	1,948,005
7	1,249	3,479	2.7854283	455,155	1,267,802	1,269,835
8	771	1,991	2.5823606	281,415	726,715	726,715
9	1,556	4,790	3.0784062	441,466	1,359,012	1,748,350
10	6,627	17,363	2.6200392	2,409,202	6,312,204	6,337,495
11	6,185	16,330	2.6402587	2,257,525	5,960,450	5,960,450
12	3,057	8,690	2.8426562	1,000,302	2,843,515	3,171,850
13	1,171	3,510	2.9974381	427,061	1,280,089	1,281,150
14	1,068	2,809	2.6301498	388,434	1,021,640	1,025,285
TOTAL Zones	32,255	86,485	2.6812897	11,453,096	30,645,217	31,567,025

* Excludes other fixed accommodation types

** Number of guests per room = (1) ÷ (2)

*** Available guest nights (minimum) = (3)•(4); due to rounding, minimum guest night capacity totals within and between parameters do not equal (0.1% variance)

**** Available guest nights (maximum) = (2)•365 days.

1.11 Eastern Slopes Region

The Eastern Slopes is a specially designated region within the Province of Alberta which embraces five river basin areas that are located on the leeward side of the Rocky Mountain Cordillera. This region comprises areas that are part of TIAALTA zones 1, 4, 7 and 10.

The accommodation industry in this region consisted of 82 fixed accommodation establishments in 1976. This establishment total included 17 hotels, 47 motels, 6 motor hotels, 2 lodges and 10 cabin/bungalow properties. On a provincial basis, this region represents 8.6% of Alberta's total available establishments. Table 15, opposite page displays various supply figures for the Eastern Slopes region by the five river basins. It should be noted that the various supply figures for this region are represented by Travel Alberta approved and non-approved properties but excludes other fixed accommodation types, such as hunting/fishing outfitters, etc.

Between 1972 and 1976, six new accommodation establishments were built in the Eastern Slopes region. These new accommodation developments along with expansions to existing properties represented an addition of 332 rooms, bringing the total Eastern Slopes available room capacity to 1,714 in 1976. This regional room capacity represents 5.3% of the province's total available rooms.

With respect to available room nights, the Eastern Slopes had a total of 615,957 or 5.4% of Alberta's room night capacity in 1976. This figure included

TABLE 15
ALBERTA ACCOMMODATION INDUSTRY
SUPPLY PROFILE OF THE EASTERN SLOPES REGION BY RIVER BASINS
1976

River Basins	Number of Establishments						Historical Growth in Number of Establishments (1972-1976)	Number of Available Rooms	Historical Growth in Number of Available Rooms (1972-1976)	Number of Available Room Nights	Historical Growth in Number of Available Room Nights (1972-1976)	Guest Capacity
	T	H	M	MH	L	C/B						
1 Smoky River Basin	3	1	2	-	-	-	1	120	52	43,800	18,980	317
2 Athabasca River Basin	31	10	17	3	-	1	2	699	111	255,135	40,515	2,113
3 N. Saskatchewan River Basin	12	1	8	1	1	1	1	256	74	93,440	27,010	710
4 Bow River Basin	24	1	16	-	1	6	2	410	119	139,997	33,782	1,246
5 Oldman River Basin	12	4	4	2	-	2	-	229	25	83,585	9,125	607
TOTAL	82	17	47	6	2	10	6	1,714	332	615,957	129,412	4,993

T = Total Establishments
H = Hotels
M = Motels
MH = Motor Hotels
L = Lodges
C/B = Cabin/Bungalows

Smoky River Basin = TIAALTA Zone 7 (Grande Cache)
Athabasca River Basin = TIAALTA Zone 7 (Hinton, Edson, Lodgepole, Peers, Cynthia and Robb)
N. Saskatchewan River Basin = TIAALTA Zone 4 (Rocky Mountain House, Nordegg, Cline River, west of Caroline and Sundre)
Bow River Basin = TIAALTA Zone 10 (Canmore and Kananaskis Valley)
Oldman River Basin = TIAALTA Zone I Coleman, Blairmore, Frank, Lundbreck, Bellevue and west of Longview).

the addition of 129,412 new available room nights between the period 1972-1976 inclusive. The number of guests that could be accommodated in the region per day in 1976 was 4,993.

In 1977, six new accommodation developments and five facility expansions took place in the Eastern Slopes region, representing 226 new rooms of which 32 were additions to existing properties. The new establishments were evenly divided between motel and motor hotel developments. As of September 1977, 170 new rooms are planned to be built in 1978. Taking the new 1977 developments into consideration, the Eastern Slopes region has currently the following supply profile:

- 88 establishments,
- 1,940 available rooms,
- 698,447 available room nights, and
- 4,650 potential guest capacity

2. TYPE OF FACILITIES AVAILABLE

The following section outlines the number of accommodation establishments in the Province of Alberta with respect to the type of food and beverage services available. The number of accommodation establishments represented in the various tables include Travel Alberta approved and non-approved properties but excludes other fixed accommodation types, such as guest homes, youth hostels, etc. The food and beverage services available in non-approved properties have been estimated since current data on these operations were not readily available.

2.1 Number of Establishments by Type of Foodservice

Of the 950 accommodation establishments identified in the Province of Alberta, their breakdown as to type of foodservice available was found to be the following:

NUMBER OF ESTABLISHMENTS BY TYPE OF FOODSERVICE
1976

	No Foodservice	Unlicensed Foodservice	Licensed Foodservice
Approved Establishments	328	119	196
Non-Approved Establishments	164	98	45
TOTAL	492	217	241
% of Alberta Establishments	51.8	22.8	25.4

The number of approved establishments by type of foodservice available according to region, TIAALTA zone, census division, category, size range and location parameters is documented in Tables 50-52 inclusive in Appendix I. In respect to categories of accommodation for both approved and non-approved properties in the province, the following absolute and percentage totals by type of foodservice were recorded:

TYPE OF FOODSERVICE AVAILABLE
BY CATEGORY OF ACCOMMODATION

			No Food-Service	%	Unlicensed Food-Service	%	Licensed Food-Service	%
Hotels	. Approved	(187)	26	13.9	90	48.1	71	38.0
	. Non-Approved	(217)	95	43.8	90	41.5	32	14.7
	Total	(404)	121	30.0	180	44.6	103	25.4
Motels	. Approved	(326)	276	84.7	19	5.8	31	9.5
	. Non-Approved	(67)	55	82.1	4	6.0	8	11.9
	Total	(393)	331	84.2	23	5.9	39	9.9
Motor Hotels	. Approved	(85)	0	-	0	-	85	100.0
	. Non-Approved	(0)	0	-	0	-	0	-
	Total	(85)	0	-	0	-	85	100.0
Lodges	. Approved	(7)	0	-	3	42.9	4	57.1
	. Non-Approved	(2)	0	-	0	-	2	100.0
	Total	(9)	0	-	3	33.3	6	66.7
Cabin/ Bungalows	. Approved	(38)	26	68.4	7	18.4	5	13.2
	. Non-Approved	(21)	14	66.7	4	19.0	3	14.3
	Total	(59)	40	67.8	11	18.6	8	13.6

N.B. The above non-approved category percentages are PKF&A estimates based on a majority of non-approved properties where foodservice available was known.

The preceding percentages relate that the majority of the accommodation establishments by category with no foodservice, unlicensed and licensed foodservice occurred primarily in motels and cabin/bungalows, hotels and lodges, and motor hotels and lodges respectively.

In summary, 458 accommodation establishments in the Province of Alberta (48.2% of the provincial total) provided some type of foodservice. Approximately 53% of the establishments providing foodservice were licensed, primarily of the hotel and motor hotel categories. The majority of the accommodation properties not having foodservice were motels.

2.2 Number of Establishments by Type of Beverage Service

The breakdown of the 950 accommodation establishments in the Province of Alberta as to type of beverage service available was found to be the following:

NUMBER OF ESTABLISHMENTS BY TYPE OF BEVERAGE SERVICE
1976

	No Beverage Service	Licensed Restaurant	Licensed Lounge	Licensed Tavern	Licensed Cabaret
Approved Establishments	334	184	137	237	16
Non-Approved Establishments	80	21	26	215	6
TOTAL	414	205	163	452	22
% of Alberta Establishments	43.6	21.6	17.2	47.6	2.3

The number of approved establishments by type of beverage service available except for licensed cabarets according to region, TIAALTA zone, census division, category, size range and location parameters is displayed in Tables 53-56 inclusive in Appendix I. In respect to categories of accommodation for both approved and non-approved properties in the province, the following absolute and percentage totals by type of beverage service, except for licensed cabarets were recorded:

TYPE OF BEVERAGE SERVICE AVAILABLE
BY CATEGORY OF ACCOMMODATION

			No Beverage Service	%	Lic. Rest-aurant	%	Lic. Lounge	%	Lic. Tavern	%
els	. Approved	(187)	3	1.6	64	34.2	49	26.2	169	90.4
	. Non-Approved	(217)	2	0.9	10	4.6	22	10.1	215	99.1
	Total	(404)	5	1.2	74	18.3	71	17.6	384	95.0
[illegible]	. Approved	(326)	295	90.5	30	9.2	9	2.8	0	-
	. Non-Approved	(67)	60	89.6	6	9.0	2	3.0	0	-
	Total	(393)	355	90.3	36	9.2	11	2.8	0	-
tor	. Approved	(85)	0	-	81	95.3	76	89.4	67	78.8
[illegible]	. Non-Approved	(0)	0	-	0	-	0	-	0	-
	Total	(85)	0	-	81	95.3	76	89.4	67	78.8
dges	. Approved	(7)	3	42.9	3	42.9	3	42.9	1	14.3
	. Non-Approved	(2)	0	-	2	100.0	2	100.0	0	-
	Total	(9)	3	33.3	5	55.6	5	55.6	1	11.1
bin/	. Approved	(38)	33	86.8	6	15.8	0	-	0	-
ngalows	. Non-Approved	(21)	18	85.7	3	14.3	0	-	0	-
	Total	(59)	51	86.4	9	15.3	0	-	0	-

3. The above non-approved category percentages are PKF&A estimates based on a majority of non-approved properties where beverage service available was known. In addition, the absolute and percentage totals do not equal each category's total approved or non-approved properties since an individual establishment can have more than one beverage facility available.

The preceding percentages relate that the majority of the accommodation establishments by category with no beverage service, licensed restaurant, lounge and tavern occurred primarily in motels and cabin/bungalows, motor hotels and lodges (restaurant and lounge), and hotels and motor hotels respectively.

In summary, 536 accommodation establishments in the Province of Alberta (or 56.4% of the provincial total) provided some type of beverage service. The most prevalent beverage facility was a tavern being represented in 47.6% of all accommodation properties with the majority located in hotels. The least common beverage facility was a cabaret being represented in only 2.3% of all accommodation properties. The majority of the accommodation properties not having some type of beverage service were motels.

3. OWNERSHIP/MANAGEMENT

The following subsections describe the Alberta accommodation industry with respect to type, legal form of organization, residency, average length and number of changes in or of ownership/management. The number of accommodation establishments represented include Travel Alberta approved and non-approved properties but excludes other fixed accommodation types, such as guest homes, youth hostels, etc.

3.1 Number of Establishments by Type of Ownership/Management

Of the 950 accommodation establishments in the Province of Alberta, their breakdown as to type of ownership/management was found to be the following:

NUMBER OF ESTABLISHMENTS BY TYPE OF OWNERSHIP/MANAGEMENT 1976

Type of Ownership/ Management	Approved Establishments	%	Non-Approved Establishments	%	Total Establishments	%	PKF&A Fieldwork Sample	% of Total Establishments
Owner-operated (independent)[1]	580	90.2	307	100.0	887	93.4	201	22.7
Owner-operated (referral)[2]	19	3.0	-	-	19	2.0	8	42.1
Owner-operated (franchise)[3]	18	2.8	-	-	18	1.9	10	55.6
Chain-owned and operated[4]	23	3.6	-	-	23	2.4	8	34.8
Chain-operated under lease management contract[5]	3	0.4	-	-	3	0.3	3	100.0
TOTAL	643	100.0	307	100.0	950	100.0	230	24.2

1 Not part of a referral, franchise or chain group.

2 Federations of independent properties tied together through one or more reservation systems; in Alberta, Canadiana Hotel and Motel Properties Ltd. (14), Master Hosts Inns Ltd. (2), Friendship Inns International (2) and Preferred Hotels Association (1).

3 Groups of independent properties tied together under franchise name offering reservation/referral services as well as a variety of promotional and operational benefits (i.e. national advertising and publicity, brand identification/reputation, marketing guidance, sales training, etc.); in Alberta, Best Western Inc., (8), Travelodge International Inc. (8) and Sheraton (2).

4 Groups of individual properties owned by the same firm and promoted under a brand name; in Alberta, Canadian Pacific Hotels (3), Western International Hotels (2), Canadian National Hotels (2), Holiday Inn - Atlific Inns Inc. (2), Sandman Inns (1, plus 1 in 1978), Holiday Inn - Commonwealth (1), Twin Pine Motor Inns (4), Crusader Motels (3), Plainsman Motor Inns (4), Plaza Hotels (1), Lodge Hotels (1, plus 1 in 1978) and Relax Inns (2, plus 1 in 1977).

5 Groups of individual properties operated by a chain group but owned usually by a local consortium; in Alberta, CP Chateau Lacombe, Commonwealth Holiday Inn Edmonton and Four Seasons Calgary (1, plus 1 in 1978).

The opposite percentages show that the majority of the accommodation establishments in the province was owned by independent operators (93.4%) with chain ownership a distant second at 2.4% of the provincial establishment total. Despite this low level of accommodation integration, the trend towards some type of association continues to grow. It is interesting to note that the majority of the non-independent properties in Alberta have only been built or affiliated to their respective organizations over the past five years. Many other Canadian referral, franchise and chain groups have not appeared in Alberta and it seems likely that some of these groups will become more active in the province in the near future. In any case, the Alberta accommodation industry will tend to become more integrated largely due to the public's increasing need for efficient reservation and confirmation systems and the industry's requirements to more effectively reach potential markets.

3.2 Number of Establishments by Legal Form of Organization

Of the 950 accommodation establishments in the Province of Alberta, their breakdown as to type of legal form of organization was found to be the following:

NUMBER OF ESTABLISHMENTS BY
LEGAL FORM OF ORGANIZATION
1976

Legal Form	Approved Establishments	%	Non-Approved Establishments	%	Total Establishments	%	PKF&A Fieldwork Sample	% of Total Establishments
Individual Proprietorship	192	29.9	51	16.5	243	25.6	38	15.6
Partnership	29	4.5	30	9.6	59	6.2	22	37.3
Incorporated Company	422	65.6	226	73.9	648	68.2	170	26.2
TOTAL	643	100.0	307	100.0	950	100.0	230	24.2

N.B. The percentages for non-approved establishments by type of legal form are PKF&A estimates based on the study's accommodation sample and various secondary sources, i.e. ALCB liquor licence and Alberta Consumer and Corporate Affairs business licence listings.

It can be seen that the majority of the accommodation establishments in the province are incorporated companies (68.2%) with partnerships utilized as the least form of organization (6.2%).

3.3 Number of Establishments by Ownership Residency

Of the 950 accommodation establishments in the Province of Alberta, their breakdown as to ownership residency was found to be the following:

NUMBER OF ESTABLISHMENTS
BY OWNERSHIP RESIDENCY

Ownership Residency	Approved and Non-Approved Establishments	%	PKF&A Fieldwork Sample	%
Alberta	900	94.7	217	94.4
Other Canadian Provinces	40	4.2	9	3.9
Foreign	10	1.1	4	1.7
TOTAL	950	100.0	230	100.0

N.B. The above ownership residency percentages are PKF&A estimates based on an extrapolation of the field work sample with minor adjustments to reflect the known foreign-owned properties.

The above percentages show that approximately 95% of the accommodation industry in the province is locally-owned. The remaining 5% other Canadian and foreign-controlled refers primarily to chain-owned properties whose headquarters are located outside the province.

3.4 Average Length of Establishment Ownership

The average length of establishment ownership was derived from the 230 accommodation operator interviews conducted during the field work portion

TABLE 16

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE LENGTH OF ESTABLISHMENT OWNERSHIP

1976: 7.3 YEARS (230 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	5.1	10.0	5.4	16.9	9.6	4.3									
TIAALTA ZONE [b]	3.5	6.6	1.9	7.6	4.5	5.1	5.1	6.5	14.0	9.6	10.0	18.6	5.3	4.2	
CENSUS DIVISION [c]	7.1	4.4	4.1	2.2	2.1	9.9	5.0	8.1	12.3	5.9	8.2	4.8	6.4	4.2	4.9
CATEGORY [d]	9.5	4.9	7.3	22.0	8.6										
SIZE RANGE [e]	6.9	4.4	6.3	7.2	11.0	36.3	50.5								
LOCATION [f]	6.7	8.6													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

of this study. Table 16, opposite page, shows the average length of ownership by region, TIAALTA zone, census division, category, size range and location parameters.

It can be concluded that a more rapid turnover in establishment ownership has been occurring in Southern and Central Alberta, primarily TIAALTA Zones 1 (Land of the Big Blue Sky) and 3 (Big Country). The greatest stability in ownership has been occurring in Banff-Jasper National Parks (Zones 9 and 12) and in both Edmonton and Calgary. According to category and size range, it seems that motels and establishments less than 49 units have been the contributive factors in increased ownership turnover. On a legal form of organization basis, incorporated companies showed a higher average length of ownership at 7.9 years, while partnerships and individual proprietorships were recorded at 6.8 and 5 years respectively.

Since no comparative figures are available for other Canadian provinces, it would seem, in our view that the provincial average of 7.3 years was sufficiently long enough to maintain a modest amount of stability and would not be a major contributing factor to certain industry problems, other than in certain localities mentioned previously.

3.5 Average Number of Changes in Establishment Ownership

The average number of changes in establishment ownership in Travel Alberta approved properties over the five year period of January 1972 to

December 1976 has been calculated in the following chart by TIAALTA zone and category of accommodation:

AVERAGE NUMBER OF CHANGES IN ESTABLISHMENT OWNERSHIP JAN. 1972 - DEC. 1976: 0.8							
TIAALTA Zone	No. of Changes	No. of Establish-ments	Avg. No. of Changes	Category	No. of Changes	No. of Establish-ments	Avg. No. of Changes
1	71	74	1.0	Hotel	173	187	0.9
2	26	39	0.7	Motel	254	326	0.8
3	30	29	1.0	Motor Hotel	44	85	0.5
4	60	58	1.0	Lodge	4	7	0.6
5	53	49	1.1	Cabin/ Bungalow	23	38	0.6
6	30	45	0.7				
7	37	41	0.9				
8	16	20	0.8				
9	13	23	0.6				
10	39	76	0.5				
11	44	74	0.6				
12	19	47	0.4				
13	25	36	0.7				
14	35	32	1.1				
TOTAL	498	643	0.8		498	643	0.8

It can be concluded that the more rapid changes in establishment ownership over the past few years have been occurring in hotels and motels located in TIAALTA zones 1, 3, 4, 5 and 14. Since a number of changes have been recurring in about sixty properties, it can be deduced that approximately 50% of Travel Alberta approved accommodation establishments have had one new owner since 1972.

4. TRADE/TRAVEL ASSOCIATION MEMBERSHIP

The following section describes the Alberta accommodation industry with respect to its membership in various trade and travel associations, i.e., Alberta Hotel Association (AHA), Motel Association of Alberta (MAA), Travel Industry Association of Alberta (TIAALTA), Alberta Outfitters Association (AOA), Resort and Campground Managers' Association (RCMA), Alberta Hostelling Association, Alberta Country Vacations Association (ACVA) and the Canadian and American Automobile Associations (CAA/AAA).

4.1 Number of Establishments Belonging to Various Associations

The number of accommodation establishments belonging to the AHA, MAA and CAA/AAA according to region, TIAALTA zone, census division, category, size range and location parameters is shown in Tables 57 to 59 respectively in Appendix 1.

As of February 1977, 470 accommodation establishments belonged to the Alberta Hotel Association, the majority of which were hotels and motor

hotels. Since there were 489 hotels and motor hotels in the province in 1976, the Association enjoyed a participation rate of 96%.

In 1976, 303 accommodation establishments belonged to the Motel Association of Alberta, the majority of which were motels and cabin/bungalow properties. Since there were 452 motels and cabin/bungalow properties in the province in 1976, the Association enjoyed a participation rate of 67%.

In 1976, 129 Alberta accommodation establishments belonged to the Canadian and American Automobile Associations, the majority of which were motels and motor hotels located in Waterton Lakes, Banff and Jasper National Parks and in Calgary & District (primarily Canmore). Since all CAA/AAA properties were Travel Alberta approved, this Association enjoyed a 20% participation rate of such properties. Due to its recognition factor in the United States, it is not surprising to see that most Alberta CAA/AAA members are situated in the province's prime tourist areas where the majority of American visitors vacation.

Since a number of TIAALTA zones did not know how many of their members were accommodation properties or withheld such information, it was not possible to compile a truly accurate count of accommodation establishments belonging to the Travel Industry Association of Alberta. The following chart shows TIAALTA's available accommodation establishment membership by zone:

TIAALTA ACCOMMODATION ESTABLISHMENT MEMBERSHIP BY ZONE
1976

Total All Zones	1	2	3	4	5	6	7	8	9	10	11	12	13	14
278+ (356)*	N/A	22	N/A	9	34	44	N/A	17	23	62	34	33	N/A	N/A

N/A: Not available or withheld.

* PKF&A estimate for all 14 zones (311 available accommodation properties in above missing five zones x 25% (similar participation % to 278 over provincial total) = 78 + 278 = 356).

Since there were 950 accommodation establishments in the Province of Alberta in 1976, it is reasonable to assume that the Association achieved a participation rate of 37% of the industry.

In addition, the following membership chart shows four other minor accommodation-related associations that are operating in the province:

ACCOMMODATION MEMBERSHIP IN OTHER ALBERTA ASSOCIATIONS
1976

	Membership	Percentage Participation of Respective Accommodation Category(ies)
Alberta Country Vacations Association (vacation farms/ ranches, dude/guest ranches)	27	57%
Resort and Campground Managers' Association (lodges, cabins/bungalows)	22	75%
Alberta Hostelling Association (youth hostels)	23	100%
Alberta Outfitters Association (trail riding outfitters)	13*	48%

* Only three have fixed accommodation

From the foregoing, it can be concluded that the majority of the accommodation establishments in Alberta support their respective trade associations with somewhat less support given to travel/tourist associations. A reasonable proportion of accommodation establishments also belong to various other peripheral organizations of which the local Chamber of Commerce and the Alberta Restaurant and Foodservices Association (formerly CRA - Alberta Chapter) are the most prominent.

5. EMPLOYMENT

The following section describes the Alberta accommodation industry with respect to the average number of persons employed per establishment and the total estimated provincial employment. Two sets of employment figures have been attached to these above estimates, i.e. minimum, including full-time employees only and maximum, including full-time and part-time employees. The number of accommodation establishments represented in these average and total employment estimates include Travel Alberta approved and non-approved properties but excludes other fixed accommodation types, such as guest homes, youth hostels, etc.

5.1 Average Staff Employment

The average number of establishment employees including management has been derived from the 230 randomly selected properties interviewed during the field work portion of this study. These averages have been recorded according to region, TIAALTA zone, census division, category, size range and location parameters in Table 60, in Appendix I.

These averages have also been documented with respect to legal form of organization where individual proprietorships have average minimum and maximum employments of 3 and 5 respectively, partnerships with 7 and 9 and incorporated companies with average employments of 34 and 50 persons. Average employment by category and size range of accommodation are the two most important indicators. As can be seen from Table 60, motels and cabin/bungalow properties had the lowest average number of employees, while hotels and motor hotels the highest. As expected, there was a direct correlation between the size of establishments and the number of staff employed.

5.2 Estimated Total Provincial Employment

The total provincial employment in the accommodation industry was estimated by multiplying the average minima and maxima number of employees per establishment by the total establishments in the province according to both category and size range parameters, as shown in Table 61 in Appendix I.

TABLE 17
ALBERTA ACCOMMODATION INDUSTRY
TOTAL PROVINCIAL EMPLOYMENT MINIMA AND MAXIMA
BY CATEGORY AND SIZE RANGE
1976

Category / Size Range	1-9	10-24	25-49	50-75	76-199	200+	Total Employment By Category
Hotel	375 / 600	1,958 / 2,670	2,090 / 2,945	891 / 1,026	1,340 / 1,680	2,894 / 3,455	9,548 / 12,376
Motel	102 / 102	564 / 940	535 / 856	370 / 629	140 / 260	0 / 0	1,711 / 2,787
Motor Hotel	0 / 0	150 / 192	1,495 / 2,323	1,500 / 2,430	2,352 / 3,672	450 / 500	5,947 / 9,117
Lodge	0 / 0	20 / 25	16 / 20	0 / 0	90 / 120	250 / 550	376 / 715
Cabin/Bungalow	44 / 88	63 / 126	88 / 154	40 / 60	0 / 0	0	235 / 428
Total Employment By Size Range	521 / 790	2,755 / 3,953	4,224 / 6,298	2,801 / 4,145	3,922 / 5,732	3,594 / 4,505	17,817 / 25,423

According to our estimates, the Alberta accommodation industry employed approximately 18,000 full-time or 25,000 full-time and part-time persons in 1976 (Table 17, opposite page). Since Statistics Canada's and Alberta Bureau of Statistics' provincial accommodation employment statistics for 1976 have not yet been published, there are no means to compare these estimates. However, the following chart shows our 1976 estimates in relation to Statistics Canada and Alberta Bureau of Statistics' most recent employment figures:

ALBERTA ACCOMMODATION EMPLOYMENT
BY CATEGORY
MAXIMUM: FULL-TIME AND PART-TIME EMPLOYEES

	PKF&A Estimates 1976 (Universe: 950)	Statistics Canada 1975 (Universe: 846)	Alta Bureau of Statistics 1974 (Universe: 844)
Hotels [1]	22,208	16,782	10,561
Motels [2]	2,787	1,804	1,506
Tourist Court/Cabins [3]	428	288	202
TOTAL	25,423 [4]	18,874 [5]	12,269

1 PKF&A estimates correspond to hotel, motor hotel and lodge categories identified in this study. Number of establishments in statistical universe: PKF&A (499), Stats.Canada (467) and Alta.Stats (444).

2 Number of establishments in statistical universe: PKF&A (393), Stats. Canada (326) and Alta.Stats (347).

3 Number of establishments in statistical universe: PKF&A (58), Stats. Canada (53) and Alta.Stats (53).

4 Assuming estimate is correct, 12% of Alberta's service labour force (216,000) or 3% of province's total labour force (822,000) in 1976.

5 Approximately 12% of Canada's total accommodation employment (156,000).

It would seem that our 1976 employment estimates tend to be on the high side, but taking into consideration that our establishment universe is more complete and larger and the fact, that government statistical information is normally understated and less reliable due to private sector resistance in contributing confidential data, it would be fair to conclude that the accommodation industry in Alberta provides employment for approximately 23,000 to 25,000 persons.

6. INVESTMENT

The following section describes the Alberta accommodation industry with respect to the value of new construction work performed over the period 1968 to the first quarter of 1977 and an estimated market value of current accommodation operations.

6.1 Value and Trends in Accommodation Construction

According to Canadata (Southam Business Publications), Statistics Canada and Travel Alberta, the following values of new and repair expenditures in accommodation construction for the period 1968-1977 (first quarter) occurred:

ALBERTA ACCOMMODATION INDUSTRY
VALUE OF CONSTRUCTION WORK
(1968-1977) $ MILLIONS

	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977 *
Canadata[1]	7.3	.5	1.5	7.1	39.1	25.4	18.7	32.3	21.1	8.2
Statistics Canada[2]	-	-	-	-	15.0	30.1	24.7	15.7	N/A	N/A
Travel Alberta[3]	-	1.4	5.0	8.9	27.8	28.0	57.9	24.2	32.5	N/A

N/A: Not available

* First quarter only

1 Dollar value of construction contract awards (understated).

2 Dollar value of construction work performed in hotels, clubs, restaurants, cafeterias and tourist cabins (1972 and 1973 actual expenditures, while 1974 and 1975 preliminary actual-overstated).

3 Dollar value of new construction, including expansions and renovations to Travel Alberta approved properties (understated in respect to total establishment capacity).

Sources: Canadata Annual Accommodation Contract Award Printouts (Census Division); Statistics Canada Travel, Tourism and Outdoor Recreation Statistical Digest, 1974 and 1975; Travel Alberta Facility Statistics

Due to the different bases utilized in compiling the value of accommodation construction by the three agencies, no direct comparison can be made. However, a few general trends are noticeable in all three compilations. The value of new construction in the industry has increased dramatically since 1972 with the majority of it being spent on new developments in both Edmonton and Calgary. Since 1976 though, less construction monies have been expended in these areas with more being devoted to new and expanded facilities in the rural areas of the province. Taking the 197[illegible] Canadata or Travel Alberta accommodation construction values into account, it would seem that the industry was responsible for approximately 6-9% of [illegible] value of total commercial building construction in the province.

6.2 Estimated Provincial Accommodation Market Value

Despite the difficulties in deriving a 1976 market value of the accommodation industry in Alberta, it is our conservative estimate that it ranges in the area of $800 to $850 million. This average range was compiled by category of accommodation as shown below:

ESTIMATED MARKET VALUE[1] OF THE
ALBERTA ACCOMMODATION INDUSTRY
1976

	No. of Establishments	No of Rooms Available	Estimated Market Value ($ million)	
Hotels, Motor Hotels, Lodges *	499	20,758	$519	$623 ****
Motels **	393	10,441	188	230
Cabin/Bungalow ***	58	1,056	21	25
TOTAL	950	32,255	$728	$878

1 Selling value of property, taking into consideration cost, goodwill and cash flows

* Selling price per room - $25,000 (low), $30,000 (high)

** Selling price per room - $18,000 (low), $22,000 (high)

*** Selling price per room - $20,000 (low), $23,000 (high)

**** Alberta Hotel Association 1976 survey of its 461 members showed an estimated market value of $912 million (assumed to be drastically overstated)

PART B

INDUSTRY PERFORMANCE

"One of the greatest problems now concerning the world travel industry is the fact that government leaders and academic economists who influence government policy do not know how little they know about the enormous economic impact of tourism, which has expanded at a tremendous pace during the past 25 years."

- Somerset Waters
  The Big Picture (1977)

"The value of quantitative operating information is very limited in the absence of some means of comparison to determine its significance."

- C.T. Fay, Jr., R.C. Rhoads and R.L. Rosenblatt
  Managerial Accounting for the Hospitality Serivce Industries (1972)

"The greatest profit connected with the hotel business does not usually come as profit generated by the sale of food, beverages and lodging to the general public. The great fortunes in the hotel business have come in other ways, largely as a result of looking at the hotel business as requiring as much real estate manipulation as actual innkeeping."

- D.E. Lundberg
  The Hotel and Restaurant Business (1970)

PART B

INDUSTRY PERFORMANCE

1. OCCUPANCIES

The various accommodation occupancy indicators have been compiled from operating information collected from the 230 randomly selected establishments interviewed during the field work portion of this study. They are presented according to region, TIAALTA zone, census division, category, size range and location parameters in tables in each respective indicator subsection or in Appendix I.

1.1 Average Annual Occupancy (Table 18)

The accommodation industry in the Province of Alberta experienced an average occupancy of approximately 69% in 1976. This occupancy rate was marginally ahead of occupancies enjoyed in the previous two years. In comparison to other provinces in Canada and to the United States, it can be reasonably stated that Alberta's 1976 accommodation occupancy rate was above average.

For example, British Columbia's 1976 average occupancies for its hotel/motor hotel and motel/resort sectors were 59.7% and 57.5%[1] respectively, while in Canada and the U.S., average occupancies of 61.5%[2] and 66.7%[3] were attained in 1976.

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1. Pannell Kerr Forster & Associates, 1976 Annual Trends in the Hotel and Motor Hotel Business in B.C. and 1976 Annual Trends for Motels and Resorts in B.C. (sample of 118 accommodation establishments)

2. Pannell Kerr Forster & Company, Trends in the Hotel Business, 1977 International Edition (sample of 150 Canadian accommodation establishments)

3. Harris Kerr Forster & Company, Trends in the Hotel-Motel Business, 1977 U.S.A. Edition (sample of 800 accommodation establishments)

TABLE 13

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE ANNUAL OCCUPANCY

1976: 68.9% (230 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	67.5	70.0	72.3	68.4	66.2	72.5									
TIAALTA ZONE [b]	70.0	79.3	75.6	75.5	66.3	63.8	68.9	64.0	66.7	66.2	70.0	69.4	72.1	69.0	
CENSUS DIVISION [c]	77.3	73.1	63.6	72.6	76.2	66.6	74.9	77.0	68.4	65.6	68.6	61.5	61.7	74.3	69.9
CATEGORY [d]	66.9	71.6	68.7	76.6	66.4										
SIZE RANGE [e]	63.2	69.3	68.8	70.1	66.1	67.5	I/S								
LOCATION [f]	68.5	69.2													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient sample

Three regions, i.e. Northern Alberta, Banff-Jasper National Parks and Calgary & District experienced average 1976 occupancy percentages below the provincial average. Southern Alberta's 1976 occupancy averaged 72.5% which was the highest of all six regions, while the lowest was recorded by Calgary & District at 66.2%.

Nine out of fourteen TIAALTA zones achieved average 1976 occupancy percentages above the provincial average of 69%. Zones 5, 6, 8, 9 and 10 were the only areas that underperformed the provincial average with Zone 6 (Lakeland) attaining the lowest occupancy at 63.8%. Six zones were above the 70% mark, the highest being recorded in Zone 2 (Gateway) at 79.3%.

Since geographical breakdowns of 1976's average occupancy have already been mentioned above, only brief comments will be supplied with respect to census divisions. It should be noted that some of Alberta's fifteen census divisions are equivalent to certain TIAALTA zones either singly or in combination, while in the majority of cases, definite geographical overlaps occur. Eight out of 15 census divisions had average 1976 occupancy percentages above the provincial average. Census divisions 1 and 8 had the highest occupancy recording, while census divisions 12 and 13 had the lowest.

In 1976, motels and lodges attained average occupancy percentages above the overall provincial accommodation rate. The lowest average occupancy of 66.4% was held by cabin/bungalow properties.

1976's average occupancy rate rose from the 0-9 unit size range establishment of 63.2% to a peak of 70.1% in the 50-75 unit size range property and thereafter, those properties over 76 units generally experienced slightly lower average occupancy rates. However, properties over 500 units indicated average occupancies in the 70-75% bracket.

Urban accommodation establishments in Alberta showed a slightly higher average occupancy percentage in 1976 than those properties located in rural areas.

Tables 62 and 63 in Appendix I show the province's average annual occupancies by various parameters in 1975 and 1974 respectively.

1.2 Average Growth in Occupancy (Table 19)

Using 1974 as a base year, the average annual compound growth rate in Alberta's accommodation occupancy has been 7.1% or expressed in another manner, 1976's average occupancy was 1% point above that recorded in 1974. This growth rate is considered healthy because it also reflects the considerable increase in the supply of available room nights that has occurred during the past few years in the province, which from a 1974 base has increased annually by a 6.6% compound rate. Even with this large addition of room nights occupancy has kept abreast and grown at a reasonable rate.

The regions of Northern Alberta and Southern Alberta showed the highest average annual growth rates in occupancy at 13.1% and 9.8% respectively. All regions except for Banff-Jasper National Parks and Calgary & District grew at a rate above the provincial average. Edmonton's 1976 occupancy percentage grew by 8.5% from 1974, while Calgary & District's average occupancy increased slightly. These growth rates, when compared to the increase in supply of available room nights in Alberta's largest urban metropolitan centres over the past few years, show that demand has approximately kept pace with supply (8.5% compound growth) in Edmonton while underpacing supply (8.0% compound growth) in Calgary and District. It should be

noted that the better quality and newer properties in both cities, primarily first class hotels and motor hotels have shown higher increases in their annual occupancies since customers who formerly patronized older existing properties have upgraded to a better class of accommodation. This action has caused existing older properties to have lower occupancies.

TIAALTA Zones 3 (Big Country), 6 (Lakeland) and 14 (Land of the Midnight Twilight) demonstrated the highest average annual growth rates in occupancy at 30%, 19.7% and 17.9% respectively. All other zones except Zones 4 (Land of David Thompson), 9 (Jasper National Park) and 10 (Calgary & District) experienced average annual occupancy growth rates in excess of the provincial average. As referred to earlier, Zones 10 and 11, in addition to Zone 4 (the City of Red Deer is located in this zone and has had a dramatic increase in its accommodation room supply) have seen a rapid increase in the supply of rooms with attendant market upgrading over the past few years which has tended to outpace demand.

According to census division, census 5 and 10 showed the highest average annual growth rates in occupancy, while census divisions 3, 6 and 8 experienced the lowest growth.

The highest average annual growth rates in occupancy by category of accommodation were achieved by motor hotels and motels, while hotels had the lowest rates.

Establishments in the three unit size ranges less than 49 rooms achieved average annual growth rates in the area of 6.5% with properties in the 50-199 unit size ranges attaining the highest average growth in occupancy. Properties over 200 units held similar occupancy growth rates as those for the smaller size ranges.

TABLE 19

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE ANNUAL GROWTH IN OCCUPANCY*

1974 - 1976: 7.1% (122 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	13.1	8.5	8.3	5.4	1.8	9.8									
TIAALTA ZONE [b]	7.3	14.8	30.0	3.8	10.4	19.7	8.2	9.8	2.2	1.2	8.5	7.1	11.3	17.9	
CENSUS DIVISION [c]	15.1	10.2	-2.0	5.0	30.4	1.6	11.8	4.8	6.0	22.2	7.8	8.4	11.5	8.9	13.9
CATEGORY [d]	1.5	11.5	14.7	8.0	8.3										
SIZE RANGE [e]	7.1	5.7	7.7	12.9	12.0	6.5	I/S								
LOCATION [f]	7.8	6.7													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient sample

* 1974 as base year

Rural accommodation properties displayed an average occupancy growth rate of 7.8% as compared to urban establishments' rate of 6.7%.

1.3 Average Seasonal Occupancy (Tables 64-67 inclusive in Appendix I)

The seasonal variations of occupancy in 1976 show that the province's highest average occupancy occurred during the summer at 82.2%, while the lowest was recorded in the winter at 59.2%. The average occupancy during the fall period at 65.5% was slightly above spring's 63.7%. The off-season average occupancies which approximate the 60-65% range are considered substantially above the Canadian norm of between 40 and 50%. The major reasons for these buoyant off-season occupancy rates are due to the major patronage of crews e.g. (oil/natural gas, seismographic, construction, power, telephone, etc.) in rural accommodation properties and the increasing usage of accommodation establishments in winter recreational areas, such as Banff and Jasper.

The regional differences in 1976 seasonal occupancy show that Banff-Jasper National Parks' average summer occupancy of 95.4% was the highest in the province, while the lowest summer recording was Northern Alberta's 70.7%. The off-season periods recorded average regional occupancies in the fall from 50.5% to 71.3%, in the winter from 53.2% to 68.2% and in the spring from 57.1% to 70%. Banff-Jasper National Parks and Southern Alberta experienced the widest fluctuations in average occupancies between their summer and lowest season due primarily to their heavier reliance on the tourist trade, while Northern Alberta displayed the greatest resistance to seasonal occupancy percentage changes. Northern Alberta has been able to enjoy stability in its seasonal occupancies because of the magnitude of economic activity in the extractive industries in the area of both construction and exploration.

Seasonal occupancy percentages in 1976 show that Zones 9 (Jasper National Park), 12 (Banff/Lake Louise) and 3 (Big Country) achieved the highest average summer occupancies with all above the 90% level. Zones 8 (Land of the Mighty Peace), 13 (Game Country) and 6 (Lakeland) displayed the lowest average summer occupancies, however, the former two zones were the only areas that enjoyed their highest average seasonal occupancies during the fall and winter periods due primarily to crew patronage. The largest fluctuations in average occupancies between the high and low seasons were most prominent in Zones 9 (Jasper National Park), 12 (Banff/Lake Louise) and 1 (Land of the Big Blue Sky), while the least affected were Zones 8 (Land of the Mighty Peace), 7 (Evergreen) and 6 (Lakeland).

According to census divisions, the highest average 1976 summer occupancies were attained in census 3, 5 and 9. However, these same census divisions experienced the largest fluctuations in occupancy between their high and low seasons. Census divisions 12, 14 and 15 (Northern Alberta) achieved the most stability in their seasonal occupancy variations.

Accommodation category differences in 1976 seasonal occupancy show that lodges and motels have the highest average summer occupancies of 95.3% and 89.3% respectively, while the lowest was hotels at 77.8%. However, lodges and cabin/bungalow properties experienced the largest fluctuations in average occupancies between their summer and lowest season, while hotels and motor hotels displayed the greatest stability.

Size range differences in 1976 seasonal occupancy show that properties over 50 units generally have higher average summer occupancies. However, in addition to the 0-9 unit size range, properties over 76 units exhibited the largest fluctuations in average occupancies between their summer and lowest

season. Establishments between 10 and 75 units displayed the greatest resistance to seasonal occupancy percentage changes.

Locational differences in 1976 seasonal occupancy show that rural properties have generally higher average summer occupancies, but display the largest fluctuation in average occupancies between this season and its lowest period. In turn, urban properties exhibit the opposite.

1.4 Average Multiple Occupancy Factor (Table 20)

Alberta's 1976 multiple occupancy factor for the accommodation industry was found to be 1.5 which means that an average of one and a half guests were registered per occupied room.

Since it has been recorded that the province's multiple occupancy factor in 1975 was 1.41[1], this average signifies an increased usage of Alberta's accommodation plant, thereby effecting greater patronage of attendant food and beverage and other facilities. This 1976 figure is slightly higher than those attained in British Columbia's and Canada's accommodation industries of 1.46[2] and 1.39[3] respectively.

The highest average multiple occupancy factors were recorded in Banff-Jasper National Parks and Southern Alberta at 2.17 and 1.65 respectively. It is understandable that these regions achieved the highest average number of guests per occupied room due to the former's recognition as a tourism/resort

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1. Pannell Kerr Forster & Company, Trends in the Hotel Business, 1976 International Edition

2. Pannell Kerr Forster & Associates, 1976 Annual Trends in the Hotel and Motor Hotel Business in B.C.

3. Pannell Kerr Forster & Company, Trends in the Hotel Business, 1977 International Edition

destination area and the latter which includes Waterton Lakes National Park and the main transportation artery for U.S. tourists travelling to Alberta's three main national parks. The lowest average multiple occupancy factors were attained in the City of Edmonton and Calgary & District.

TIAALTA Zones 9 (Jasper National Park), 12 (Banff/Lake Louise) and 1 (Land of the Big Blue Sky), which includes Waterton Lakes National Park recorded the highest 1976 average multiple occupancy factors at 2.24, 2.13 and 1.71 respectively. As previously mentioned, these zones had the highest average number of guests per occupied room because of their recognition as tourism/resort destination areas for family vacationers and group tours. The lowest average multiple occupancy factors occurred in Zones 5 (Battle River) and 10 (Calgary & District).

According to census divisions, census 9 and 3 at 1.92 and 1.74 respectively were found to have the highest average multiple occupancy factors.

Since the majority of lodges and cabin/bungalow properties in Alberta are located in tourism destination areas and cater to family and group tour clientele, it is understandable that the highest average multiple occupancy factors were recorded for these categories at 2.03 and 1.78 respectively. The lowest average number of guests per occupied room was held by hotels at 1.3.

The average multiple occupancy factor was found to be 1.34 for properties in the 0-9 unit size range and thereafter increased progressively to a peak of 1.65 in the 76-199 unit size range. Establishments over 200 units attained an average 1976 multiple occupancy factor in the 1.45 to 1.5 range.

Rural properties achieved an average multiple occupancy factor of 1.53 as compared to 1.43 for urban establishments. The reason for this higher

TABLE 20

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE MULTIPLE OCCUPANCY FACTOR

1976: 1.50 (230 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	1.41	1.37	1.39	2.17	1.35	1.65									
TIAALTA ZONE [b]	1.71	1.50	1.47	1.43	1.30	1.37	1.48	1.39	2.24	1.35	1.37	2.13	1.47	1.36	
CENSUS DIVISION [c]	1.55	1.51	1.74	1.30	1.47	1.39	1.35	1.46	1.92	1.36	1.36	1.37	1.38	1.51	1.41
CATEGORY [d]	1.30	1.63	1.42	2.03	1.78										
SIZE RANGE [e]	1.3	1.50	1.50	1.55	1.65	1.50	1.41								
LOCATION [f]	1.53	1.43													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

number of guests per occupied room in rural establishments is the inclusion of those properties located in Banff-Jasper National Parks.

1.5 Eastern Slopes Region

The following chart outlines the various accommodation occupancy figures for the Eastern Slopes region:

EASTERN SLOPES REGION
ACCOMMODATION OCCUPANCY INDICATORS (%)
1976

	No. of Estab-ments Interviewed	Average Occupancy 1976	1975	1974	Average Seasonal Occupancy Win.	Spr.	Sum.	Fall	Average Multiple Occupancy Factor
North Part*	15	72	68	61	63	64	83	70	1.62
South Part**	7	70	66	N/A	61	62	86	74	1.45
Total Eastern Slopes	22	70	68	60	61	62	84	66	1.58

Twenty-two accommodation establishments in the Eastern Slopes were interviewed during the field work portion of this study. These properties represented approximately 27% of the accommodation establishment total in the region.

N/A: Not available

* Includes establishments located in the Smoky, Athabasca and North Saskatchewan River Basins.

** Includes establishments located in the Bow and Oldman River Basins.

From these interviews, it was estimated that the accommodation industry in the Eastern Slopes had experienced an average occupancy of 70% in 1976. This average is slightly ahead of the province's overall occupancy of 69% for the same period. Using 1974 as base year, the average annual compound growth in the Eastern Slopes' accommodation occupancy has been approximately 14%. In comparison with the fourteen TIAALTA zones, this percentage rate ranks fifth in highest occupancy growth.

The seasonal variations of occupancy in 1976 show that the region's highest average occupancy occurred during the summer at 84%, while the lowest was recorded in the winter at 61%. The off-season average occupancies range between 61% to 66% which approximate the provincial norm. The major reasons for these excellent off-season occupancy rates are the preponderance of work crews in the area (oil/natural gas, seismographic, coal and construction, etc.) who patronize local establishments and the overflow of winter skiers from the province's main national parks, primarily affecting the communities of Hinton and Canmore.

The accommodation industry in the Eastern Slopes was found to have an average 1976 multiple occupancy factor of 1.58 which is above the Alberta average. This average is the second highest recording after the province's three main national parks. It relates that the establishments in the Eastern Slopes, which are adjacent to the province's main tourism destination areas, have been catering to a similar clientele, the results of which has been a spin-off effect.

1.6 Other Fixed Accommodation Categories

The following chart shows the estimated average annual occupancies for Alberta's other types of fixed accommodation, i.e. guest/tourist homes, youth hostels, YMCA/YWCAs, vacation farms/dude ranches and hunting/fishing and trail riding outfitters:

OTHER FIXED ACCOMMODATION CATEGORIES
AVERAGE ANNUAL OCCUPANCIES
1974-1976

	Average Occupancy (%)		
	1976	1975	1974
Guest/Tourist Homes[1]	62	60	N/A
Youth Hostels[2]	52	52	49
YMCA/YWCAs[3]	96	94	91
Vacation Farms/Dude Ranches[4]	N/A	N/A	N/A
Hunting/Fishing & Trail Riding Outfitters[5]	N/A	N/A	N/A

N/A: Not available

1 Based on 5 tourist home interviews (3 large year-round and 2 small seasonal operations located in the province's three main national parks).

2 Represents all 23 youth hostels in the province (Alberta Hostelling Association).

3 Represents all 4 YMCA/YWCAs in the province that provide overnight accommodation.

4 Estimate occupancy for this category to be very low since only 10 out of 27 Alberta Country Vacations Association members do a reasonable amount of visitor trade.

5 Estimate occupancy for this category to be only marginally above vacation farms/dude ranches.

Of the five types of other fixed accommodation available in the province, only YMCA/YWCAs seem to be consistently enjoying high average annual occupancies. There was very little variation in seasonal occupancies for this category in 1976 with the Edmonton-based properties slightly out-performing their Calgary counterparts. Youth hostels have achieved summer occupancies close to their annual rates, while guest homes displayed a wider variation in 1976 seasonal occupancy with summer and winter attaining an estimated 90% and 25% rate respectively. In addition, guest homes located in Banff National Park have achieved the highest estimated annual occupancy of 75%, while those in Jasper and Waterton Lakes National Parks have maintained 50% and 60% annual rates.

2. DEMAND SOURCES

The various accommodations demand source indicators have been compiled from information collected from the 230 randomly selected establishments interviewed during the field work portion of this study. They are presented according to region, TIAALTA zone, census division, category, size range and location parameters in tables in each respective indicator subsection.

2.1 Average Percentage Room Demand by Market Source (Tables 22-29 inclusive)

As a general rule the market support for accommodation room facilities is from the following three sources:

1. Industrial-commercial sector,
2. Tourist sector, and
3. Group meetings and conventions.

In certain instances, other sectors are encountered when there is room demand from user types that cannot be classified in any of the three demand sectors listed above, e.g. government/military employees, permanent guests and work crews.

Based on the 230 accommodation establishments interviewed with some judgemental influence on certain percentages to maintain representativeness, it was estimated that the following breakdown of sources of room demand was applicable to the Province of Alberta in 1976:

	%	Occupied Room Nights @ 69% Occupancy*
Industrial-commercial (including work crews)	56.4	4,457,087
Tourism	28.3	2,236,446
Group meetings and conventions	7.8	616,405
Government	3.4	268,690
Other (primarily permanent guests)	4.1	324,008
	100.0	7,902,636

A discussion of these demand sources as they apply to the province and other parameters mentioned in the introduction to this section follows.

Industrial-Commercial Demand (Table 22 and 23)

This demand sector comprises executives, salesmen, employees and technicians visiting local industries in the province. For purposes of this analysis, this sector also included the demand for accommodation facilities from

* Total available room nights in Alberta were estimated at 11,453,096 in 1976 (Part A, subsection 1.7)

work crews (oil/natural gas and other extractive industries, seismographic, construction, power and telephone, etc.) This sector is by far the largest single portion of accommodation room demand in Alberta. In Table 22, over page we have additionally ranked the 14 TIAALTA zones in respect to their proportions of total industrial-commercial demand that was accounted for by work crews (e.g. TIAALTA Zone 12 was ranked fourteenth demonstrating that it had the lowest level of work crew patronage, while Zone 5 was ranked first indicating that it had the highest level).

According to the average accommodation demand percentages in Table 22, all regions except for Banff-Jasper National Parks showed heavy reliance on industrial-commercial business. This was further underlined by reviewing industrial-commercial demand by both TIAALTA zone and census division. Of the five main categories of accommodation, motor hotels and hotels received most of their room demand from this sector at 56.8% and 54.7% respectively, while cabin/bungalow properties have the least at 12.0%. With respect to size range, the larger an accommodation property became the less important was the industrial-commercial sector. Establishments less than 49 units have been receiving the bulk of work crew patronage and therefore have displayed larger percentages of industrial-commercial demand than would be normally expected. This situation is understandable since the majority of work crews are based in small rural communities where there are few properties larger than 49 units.

Due to the heavy reliance of rural-based accommodation establishments on work crew demand, except for TIAALTA Zones 9 and 12 (Banff-Jasper National Parks), we interviewed a representative cross-section of private and public firms that had required rooms in the past for their field work crews in order to estimate the average size of crews, general location and their approximate lengths of stay in the field. In addition, information was gathered on what types of accommodation they were presently using and what the future

TABLE 22

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE PERCENTAGE DEMAND BY MARKET SOURCE (1976)

INDUSTRIAL-COMMERCIAL: 56.4%

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	75.1	70.3	74.6	3.4	60.0	56.4									
TIAALTA ZONE [b] *	51.8 / 10	68.9 / 9	75.2 / 5	65.3 / 7	87.0 / 1	73.5 / 6	74.1 / 8	81.8 / 2	4.4 / 13	60.0 / 12	70.3 / 11	0.8 / 14	77.5 / 3	73.2 / 4	
CENSUS DIVISION [c]	63.2	76.3	62.1	88.6	72.5	61.0	84.1	68.3	2.6	79.7	70.4	71.4	73.3	70.7	81.1
CATEGORY [d]	54.7	46.6	56.8	N/A	12.0										
SIZE RANGE [e]	70.8	60.4	58.3	52.1	43.1	42.9	32.6								
LOCATION [f]	38.2	59.5													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

N/A: Not applicable

* Number below diagonal line is the ranking of TIAALTA zone according to the magnitude of work crew demand of total industrial-commercial demand.

prospects were for this source of demand. The companies interviewed are listed below:

PRIVATE AND PUBLIC ENTERPRISES INTERVIEWED IN ALBERTA WITH RESPECT TO ACCOMMODATION WORK CREW PATRONAGE

Nature of Work	Enterprise
General Contractors	Wimpey Western Ltd. Leduc Construction Co. Ltd. Poole Construction Co. Ltd.
Oil/Natural Gas Exploration	Gulf Oil Canada Ltd. Numac Oil & Gas Co. Ltd. Shell Canada Ltd. Imperial Oil Ltd. Great Canadian Oil Sands Ltd. Chieftain Development Co. Ltd.
Oil Field Drilling	Jenning International Drilling Ltd. Baltic Drilling Ltd. Guthrie McLaren Drilling Ltd. Beta Well Services Ltd. Challenger Drilling Ltd. Connors Drilling Ltd. Garritty & Baker Drilling Co. Ltd.
Seisomograph Services	Bow Valley Industries Ltd. Seisform Drilling Ltd.
Petrochemicals	Alberta Gas Trunkline Co. Ltd. Dome Petroleum Ltd.
Railway Engineering	Canadian National Railways
Communication	Alberta Government Telephones
Natural Gas Distributor	Northwestern Utilities Ltd.
Power Generation	Calgary Power Ltd.
Mining	Luscar Sterco Ltd.
Pipeline Construction	Henuset Brothers Ltd.
TOTAL	26 ENTERPRISES

Generally, those firms interviewed indicated that demand for accommodation was required for their smaller size crews (under 20 persons) who would be in the field on average from 3 days to 2 weeks. Larger construction projects, such as pipelines and petrochemical developments did not appear to affect accommodation demand on a large scale since portable work camps were usually being installed on site. Only smaller subcontractors to these large projects had made use of nearby accommodation facilities. The demand for accommodation by work crews, on the basis of our selected interviews, seemed to show that it was province-wide with heavier concentrations in TIAALTA Zones 5, 8, 13 and 14. Most crews seemed to be patronizing primarily motels and motor hotels. The longer term prospects for this source of demand were difficult to predict as concurred by the firms interviewed, but it can be reasonably acknowledged that such crews will continue to be in the field for the next 5-10 years. However, because of their sporadic placements, rural accommodation properties should not become totally dependent on this market source.

Growth in industrial-commercial demand for the Alberta accommodation industry will stem basically from the continued health of the provincial economy. For the past four years, the province has enjoyed notable increases in its share of Canadian population, output, employment and investment growth.

Alberta accounts for 8.3% of the total Canadian population, compared with 7.5% at the beginning of the decade. In 1976, the population had grown by 3.4%, the highest reported in any province and more than double the national growth rate of 1.3%. Of the estimated 1.9 million people living in Alberta, just over 55% inhabit the two major cities of Calgary and Edmonton.

Alberta's share of Canada's gross domestic product in current dollars has advanced from 8% in 1972 to an estimated 10% or $17.7 billion in 1976 and is largely attributable to the dramatic price increases in oil and natural gas. In 1976, estimates show that the province accounted for 8.3% of total personal disposable income and 9.4% of total retail sales in Canada.

Despite the increase in Alberta's labour force, unemployment has been well below the national average. The unemployment rate for 1976 was 3.9%, compared with Canada's 7.1% and the 1975 provincial rate of 4.1%.

The basic ingredient in the expansion of Alberta's economy has been the massive deployment of investment capital, primarily in energy resources. Total new capital expenditures have been estimated at $6.3 billion in 1976, a 28% increase over 1975 and more than double the growth rate of the rest of Canada. Alberta accounts for approximately 15% of total capital investment in Canada, most of it oil-related such as Syncrude's Fort McMurray oil sands plant, Dow Chemical's petrochemical complex near Fort Saskatchewan, Alberta Gas Chemical's ethylene plant in Joffre, Cominco-Canadian Fertilizers' ammonia and urea plant complex near Carseland and Diamond Shamrock - Alberta Gas Trunk Line's polyvinyl - chloride/methanol plants in Medicine Hat.

The 1974-75 national recession had very little effect on the Alberta economy. Gains in all major industry sectors exceeded the national averages for the period 1971-76 and in the vast majority of cases by a healthy margin (Table 23). The outlook for the province remains the most optimistic of all regions within Canada. With the oil price hikes over the past few years and subsequent

TABLE 23

PRINCIPAL ECONOMIC AND DEMOGRAPHIC INDICATORS

PROVINCE OF ALBERTA: 1971 - 1976 (000s)

	1971	1972	1973	1974	1975	1976	Average Annual Compound Growth (%)*
Value of Mineral Production	$ 1,640,508	$ 1,978,606	$ 2,764,142	$ 4,516,679	$ 5,737,474	$ 6,995,572	33.6%
Value of Construction Work	1,845,946	1,979,301	2,334,347	2,961,570	3,834,130	4,827,150	21.2%
Value of Building Permits	567,293	635,822	763,097	1,071,334	1,270,060	1,831,021	26.4%
Net Value of Production	3,825,707	4,439,927	5,793,744	8,500,640	10,451,000	12,279,000	26.3%
Manufacturing Shipments	2,080,700	2,425,341	2,973,328	3,815,065	4,458,718	4,955,934	19.0%
Farm Cash Receipts	781,076	920,693	1,207,759	1,712,128	1,876,103	1,847,633	18.8%
Retail Trade	2,422,038	2,728,329	3,069,637	3,734,348	4,556,955	5,289,685	16.9%
Private/Public Investment	2,718,200	2,977,900	3,667,700	4,706,200	6,052,700	7,707,800	23.2%
Labour Income	3,510,000	3,895,000	4,426,000	5,256,000	6,650,600	7,943,100	17.7%
Population	1,628	1,654	1,683	1,714	1,804	1,867	2.8%

* 1971 as base year

Sources:

1976 Annual Alberta Statistical Review
December 1977 Alberta Statistical Review

natural gas price increases, a further incentive for energy exploration and development has been furnished. In 1977 drilling activity in the province was ahead of 1976 levels with notable centres of activity in the shallow gas reserves of southeastern and northwestern Alberta and in the deep exploratory areas in the Rocky Mountain foothills.

Although its present relative importance is quite small, Alberta's coal production is on an upward trend (e.g. Luscar Sterco's new thermal coal mine development at Coal Valley) and with its huge reserves and likely price increases, the longer term prospects for this resource are excellent.

With many other large projects in progress, as shown in Alberta Department of Business Development and Tourism's 1977 List of Industrial Projects, capital spending remains buoyant. Future planned developments, such as the recently announced $5 billion Cold Lake heavy oil recovery/treatment complex and the $7 billion Alaska Highway pipeline project will further enhance the strength of Alberta's economy as it services these two massive projects over the next five years.

Overall, the healthy outlook for the oil, natural gas and construction industries is the major reason that the Alberta economy is expected to display a strong real growth rate of 5-6% in 1977. Based on the present economic conditions in the province, it was assumed that no significant change in the composition of industrial-commercial demand for accommodation would occur and, therefore, that it would increase on average by a 4-5% annual compound rate for the next five years.

TABLE 24

TOURISM TRENDS IN ALBERTA

1971 - 1976

(000s)

ORIGIN OF TOURISTS**	1971	1972	1973	1974	1975	1976	Average Annual Compound Growth (%)*
Resident	4,065	4,224	4,608	4,700	5,029	5,330	5.6%
Other Provinces	1,149	1,194	1,302	1,329	1,395	1,465	5.0%
U.S.A.	627	652	711	540	660	693	2.0%
Other	36	38	41	46	57	63	12.0%
Total	5,877	6,108	6,662	6,615	7,141	7,551	5.1%
TOTAL TOURIST RECEIPTS	$374,213	$430,402	$467,946	$528,779	$617,000	$710,000	13.7%

* 1971 as base year

** Figures quoted refer to person trips

Source: Travel Alberta

Tourism Demand (Tables 24 and 25)

Travel activity in Alberta has been growing steadily over the past five years at an average annual compound rate of 5.1% as depicted in Table 24, opposite page. At the same time, travel receipts have increased from 1971 at a 13.7% annual rate to its 1976 total of $710 million.

According to the average accommodation demand percentages in Table 25, over page, the regions of Banff-Jasper National Parks and Southern Alberta exhibited the highest portions of room demand from the tourist trade at 79.3% and 37.4% respectively. In reviewing these same demand percentages by TIAALTA zone, it was shown that accommodation properties in Banff National Park were slightly more dependent on tourism than those establishments located in Jasper National Park. In addition, Calgary & District including the community of Canmore (Zone 10) showed a greater reliance on the tourist sector than the City of Edmonton (Zone 11). Of the five main categories of accommodation, cabin/bungalow properties and lodges experienced the majority of their room demand from this sector at 78% and 61.6% respectively, while hotels the least at 23.7%. In respect to size range, properties less than 50 rooms enjoyed tourist demand in the area of approximately 24% to 28%, while those over 51 rooms achieved slightly higher levels between 33% and 36%.

Assuming that there would be no significant alterations in the composition of tourist demand within the next five years, it was estimated that this sector would grow at an average annual compound rate of 5-6%. This forecast is, however, based on the assumption that further development of more destination areas, better transportation linkages and improved travel product packaging would occur.

TABLE 25

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE PERCENTAGE DEMAND BY MARKET SOURCE (1976)

TOURISM 28.3%

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	12.3	12.2	16.3	79.3	24.4	37.4									
TIAALTA ZONE [b]	42.2	24.7	23.0	19.4	8.8	7.9	18.8	7.5	78.0	24.4	12.2	81.6	14.2	12.5	
CENSUS DIVISION [c]	27.7	19.3	28.4	8.4	25.5	24.5	11.8	14.4	79.9	11.4	12.0	2.5	16.2	23.4	105
CATEGORY [d]	23.7	45.8	27.3	61.6	78.0										
SIZE RANGE [e]	23.4	29.1	28.3	35.6	33.6	32.7	48.4								
LOCATION [f]	49.2	19.0													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

MEETINGS AND CONVENTIONS TRENDS IN ALBERTA *
1976

Community		Number of Conventions	Number of Delegates	Average Length of Stay	Estimated Revenue $	Average Annual Compound Growth in Delegates **
Edmonton	1976	231	75,126	3.2	13,522,680	5.1%
	1975	215	63,108		11,359,440	
	1974	251	62,008		10,789,392	
	1973	244	67,160		10,342,600	
	1972	262	64,568		9,943,472	
	1971	240	58,664		8,212,960	
Calgary	1976	229	65,089	3.2	13,017,800	4.3%
	1975	244	84,078			
	1974	167	71,893			
	1973	161	52,734			
	1972	158	50,359			
	1971	144	52,714			
Banff	1976	N/A	44,300	3.2	8,860,000	
Jasper	1976	N/A	19,940	3.2	3,988,000	
Red Deer	1976	N/A	16,000	2.6	1,664,000	
Leithbridge	1976	24	6,475	2.6	673,400	
Grande Prairie	1976	24	4,178	2.6	436,800	
	1975	8	3,167		356,360	
Lloydminster	1976	13	2,935	2.6	305,240	
Medicine Hat	1976	12	2,695	2.6	280,280	
TOTAL Alberta	1976	1,583	236,738		$42,748,200	
TOTAL Alberta	1975		237,244		$39,000,000 ***	

N/A: Not available
* Gatherings with more than 100 delegates excluding large trade shows and major events.
** 1971 as base year
*** Estimated

Group Meetings and Convention Demand (Tables 26 and 27)

The conventions and meetings market has become one of the more promising and growing segments of accommodation demand in various communities in the province. Table 26, over page briefly demonstrates the growth and value of this particular sector by community and for the province as a whole in 1976. Although this demand sector has shown minimal growth on a provincial basis, a few cities have exhibited annual compound growth rates in number of delegates in the range of 4-5.5%. With the possibility of more convention centres (i.e. Edmonton's Cultural and Convention complex and Red Deer's proposed Convention and Exhibition centre) in the province, it is quite likely that larger conventions from farther afield will be attracted. Currently, most demand from this sector has been generated from smaller and intermediate-size meetings (i.e. few than 250 persons) taking place in convention-type hotels and motor hotels. In addition, on the basis of our field work, there has been an observed need for further development of corporate meetings and pre- and post-convention activities.

According to the average accommodation demand percentages in Table 27, opposite pageBanff-Jasper National Parks, Calgary & District and the City of Edmonton displayed the highest proportions of room demand from the group meetings/conventions market at 15.1%, 8.2% and 7.3% respectively. This situation was further underlined with respect to TIAALTA zone and census division. By TIAALTA zone, Banff National Park (Zone 12) exhibited a greater dependency on this demand sector than Jasper National Park (Zone 9). Lodges and motor hotels experienced more room demand from group meetings/conventions than did the other categories of accommodation. In addition, a direct correlation was found to exist between the size of operations and increased demand from this sector.

TABLE 27

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE PERCENTAGE DEMAND BY MARKET SOURCE (1976)

GROUP MEETINGS - CONVENTIONS: 7.8%

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	2.3	7.3	1.1	15.1	8.2	1.9									
TIAALTA ZONE [b]	0.8	4.9	N/A	2.3	N/A	2.6	N/A	N/A	13.8	8.2	7.3	15.8	4.6	3.1	
CENSUS DIVISION [c]	7.6	1.3	N/A	N/A	N/A	8.5	N/A	2.7	15.3	1.8	6.9	2.8	N/A	N/A	2.8
CATEGORY [d]	8.9	0.3	9.0	38.4	8.9										
SIZE RANGE [e]	N/A	0.2	3.2	3.4	5.2	20.6	16.5								
LOCATION [f]	8.2	7.5													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

N/A: Not applicable

With further growth in industrial development and active promotion of larger conventions, it was esitmated that this demand sector would grow at an annual compound rate of 3-4% over the next five years.

Government Demand (Table 28)

Government demand in Alberta and its various communities has resulted from the presence of the Provincial Legislature with its supporting civil service in Edmonton and other government branch offices located throughout the province. Government demand has also accrued from various branch offices of federal government departments and, in particular, from Parks Canada personnel located in Alberta's five national parks.

The Government of Alberta's policy to foster economic development and provide adequate social services for those residents located in the rural regions of the province has produced a constant flow of government personnel to these areas from Edmonton and Calgary. In addition, many rural centres contain senior branch offices of public sector enterprises/agencies, e.g. Alberta Power Ltd., Alberta Government Telephones, Alberta Opportunity Company, which frequently require accommodation for management and other outside personnel.

According to the average accommodation demand percentages in Table 28, opposite page, the City of Edmonton and Northern Alberta exhibited the highest portions of room demand from government at 6.7% and 6.6% respectively. In reviewing the demand percentages by TIAALTA zone, it was also shown that accommodation establishments in Zone 6 (Calgary & District) acquired a reasonable amount of government business. Of the five main categories of accommodation, motor hotels and hotels experienced the greatest share of this sector's demand at 4% and 3.8% respectively.

TABLE 28

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE PERCENTAGE DEMAND BY MARKET SOURCE (1976)

GOVERNMENT: 3.4%

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	6.6	6.7	2.2	2.2	2.5	0.8									
TIAALTA ZONE [b]	0.8	0.6	0.4	3.2	1.7	8.9	5.3	7.3	3.8	2.5	6.7	1.8	2.7	8.1	
CENSUS DIVISION [c]	N/A	0.4	3.1	3.0	0.4	2.5	1.3	3.3	2.1	4.8	6.8	11.5	10.5	5.9	3.6
CATEGORY [d]	3.8	3.1	4.0	N/A	N/A										
SIZE RANGE [e]	1.3	2.5	3.7	1.0	7.2	2.4	2.5								
LOCATION [f]	2.3	4.4													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

N/A: Not applicable

With further government hiring and involvement in regional development, it has been projected that this demand sector will grow at an annual compound rate of 2-3% over the next five years.

Other Demand (Table 29)

This demand sector includes primarily permanent guests and transients looking for employment in the province.

According to the average accommodation demand percentages in Table 29, opposite page, Calgary & District and Central Alberta showed the highest proportions of room demand from this sector at 5% and 5.8% respectively. Hotels and motels experienced the greatest percentage demand from this market source.

It has been estimated that this demand sector will grow at an annual compound rate of 1-2% over the next five years taking into consideration the healthy economic prospects of the province.

2.2 Average Percentage Room Demand by Guest Origin (Tables 71-74 inclusive in Appendix I)

Based on the 230 accommodation establishments interviewed, it was estimated that the following breakdown of room demand by guest origin was applicable to the Province of Alberta in 1976:

TABLE 29

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE PERCENTAGE DEMAND BY MARKET SOURCE (1976)

OTHER: 4.1%

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	3.7	3.5	5.8	N/A	5.0	3.5									
TIAALTA ZONE [b]	4.5	0.9	1.4	9.7	2.5	7.2	1.9	3.4	N/A	5.0	3.5	N/A	1.1	3.1	
CENSUS DIVISION [c]	1.5	2.7	6.4	N/A	1.6	3.5	2.8	11.3	N/A	2.3	3.8	11.7	N/A	N/A	2.0
CATEGORY [d]	8.8	4.3	2.9	N/A	1.1										
SIZE RANGE [e]	4.5	7.8	6.5	7.9	10.9	1.4	N/A								
LOCATION [f]	2.1	9.6													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

N/A: Not applicable

	%	Occupied Room Nights @ 69% Occupancy*
Alberta	59.5	4,702,068
Other Canadian Provinces	25.8	2,038,880
U.S.A.	12.8	1,011,538
Other Foreign	1.9	150,150
TOTAL	100.0	7,902,636

Alberta

This guest origin sector was by far the largest single portion of accommodation room demand in Alberta. According to the average origin demand percentages in Table 71 in Appendix I, Northern and Central Alberta displayed the highest proportion of room demand from native Albertans, while Banff-Jasper National Parks showed the least. This situation was further confirmed on both a TIAALTA zone and census division basis with Zones 5, 6, 8, 13 and 14 and census divisions 4, 7, 12, 13 and 15 showing a higher demand from this area of guest origin. Motor hotels and motels exhibited the highest proportions of their room demand from Albertans at 65.1% and 62.5% respectively, while lodges showed the least at 24.9%. An inverse correlation was found to exist between the size of properties and the proportion of room demand from Albertans.

Other Canadian Provinces

According to the average origin demand percentages in Table 72 in Appendix I, Calgary & District and Banff-Jasper National Parks showed the

* Total available room nights in Alberta were estimated at 11,453,096 in 1976 (Part A, subsection 1.7)

highest proportion of room demand from other Canadians, while Northern Alberta demonstrated the least. This situation was again underlined on both a TIAALTA zone and census division basis. With respect to the five main categories of accommodation, lodges and hotels exhibited the highest portion of their room demand from this guest origin sector. A direct correlation between the size of establishments and higher dependency on other Canadian demand was also found to exist.

U.S.A.

According to the average origin demand percentages in Table 73 in Appendix I, Banff-Jasper National Parks exhibited by far the highest proportion of room demand from Americans at 31.8%, while Central Alberta showed the least. On a TIAALTA zone basis, Jasper National Park (Zone 12) showed a slightly higher dependency on American patronage as compared to Banff/Lake Louise (Zone 9), while Calgary & District in turn, displayed the same arrangement in respect to the City of Edmonton. Zone I (Land of the Big Blue Sky), which includes Waterton Lakes National Park was found to rank second after Banff-Jasper National Parks in catering to Americans. Lodges and cabin/bungalow properties showed the highest concentration of demand from American citizens. In addition, a direct correlation appeared between the size of properties and the proportion of room demand from U.S. citizens.

Other Foreign

According to the average origin demand percentages in Table 74 in Appendix I, Banff-Jasper National Parks again exhibited by far the highest proportion of room demand from other foreigners (primarily British, German and Japanese) in relation to other regions in the province. On a TIAALTA zone basis,

Banff/Lake Louise catered to a higher percentage of other foreigners in comparison to Jasper National Park. The City of Edmonton and Calgary & District shared almost similar portions of demand from this guest origin sector. Of the five accommodation categories, lodges and hotels displayed the highest concentration of demand from other foreigners. On the basis of size range, the majority of other foreigners patronized establishments over 200 rooms.

In summary, the following concentrations of guest origin accommodation demand by region, TIAALTA zone and category were found to exist in the Province of Alberta:

CONCENTRATION OF GUEST ORIGIN ROOM DEMAND
BY SELECTED PARAMETERS
1976

	Region(s)	TIAALTA Zone(s)	Category(ies)
Albertans	. Northern Alberta . Central Alberta	. 5, 6, 8, 13 and 14	. motor hotels . motels
Other Canadians	. Calgary & District . Banff/Jasper National Parks	. 9, 10 and 12	. lodges . hotels
Americans	. Banff/Jasper National Parks . Southern Alberta	. 1, 9 and 12	. lodges . cabin/bungalows
Other Foreigners	. Banff/Jasper National Parks . Calgary & District	. 9, 10 and 12	. lodges . hotels

It can be seen from the preceding table that the majority of non-Albertans (i.e. primarily pleasure travellers) patronize lodges and hotels located in Banff-Jasper National Parks, while Albertans tend to stay at motels and motor

hotels throughout the province with higher room utilization in Northern and Central Alberta which are the primary areas of recent economic activity for the extractive industries.

2.3 Eastern Slopes Region

The following chart outlines the various accommodation demand source and origin percentages for the Eastern Slopes region:

EASTERN SLOPES
ACCOMMODATION DEMAND SOURCE INDICATORS
1976

	No. of Establish-ments Interviewed	Average Room Demand by Guest Origin (%)				Average Room Demand by Market Source (%)				
		Alta.	Ocp.	U.S.	Oth.	CI	T	GM	G	Oth.
North Part*	15	76	17	6	1	61	29	4	5	1
South Part**	7	66	25	7	2	36	62	N/A	2	N/A
Total Eastern Slopes	22	72	21	6	1	48	44	4	3	1

N/A: Not applicable

* Includes establishments located in the Smoky, Athabasca and North Saskatchewan River Basins.

** Includes establishments located in the Bow and Oldman River Basins.

Alta. = Albertans
Ocp. = Other Canadians
U.S. = Americans
Oth. = Other Foreigners

CI = Commercial-industrial (including work crews)
T = Tourism
GM= Group meetings and conventions
G = Government
O = Other (primarily permanent guests)

When these estimated demand source indicator percentages were applied to the total available room nights in the Eastern Slopes, the following occupied room nights were registered:

EASTERN SLOPES
OCCUPIED ROOM NIGHTS BY DEMAND SOURCE
1976

	Occupied Room Nights by Guest Origin					Occupied Room Nights by Market Source				
	Total	Alta.	Ocp.	U.S.	Oth.	CI	T	GM	G	Oth.
North Part*	282,510	214,708	48,027	16,950	2,825	172,331	81,928	11,300	14,126	2,825
South Part**	156,507	103,295	39,127	10,955	3,130	56,343	97,034	N/A	3,130	N/A
Total Eastern Slopes***	439,017	318,003	87,154	27,905	5,955	228,674	178,962	11,300	17,256	2,825

* Total available room nights were estimated at 392,375 in 1976 (Part A, subsection 1.11), while estima occupancy was 72% (Part B, subsection 1.5).

** Total available room nights were estimated at 223,582 in 1976 (Part A, subsection 1.11), while estima occupancy was 70% (Part B, subsection 1.5).

*** Total available room nights were estimated at 615,957 in 1976 (Part A, subsection 1.11), while estima occupancy was 70% (Part B, subsection 1.5); when occupied room nights were combined for North and Parts, overall occupancy rate for the Eastern Slopes became 71%, due to rounding off of averages.

Alta. = Albertans
Ocp. = Other Canadians
U.S. = Americans
Oth. = Other Foreigners

CI = Commercial-industrial (including work crews)
T = Tourism
GM= Group meetings and conventions
G = Government
O = Other (primarily permanent guests)

According to average room demand by guest origin, the majority of guests in Eastern Slopes accommodation establishments has been native Albertans, (72%) while other Canadians ranked second at 17%. Most Americans visiting the Eastern Slopes have used accommodation facilities primarily in Hinton and Canmore. Currently, there is little room demand generated from other foreigners.

The majority of accommodation demand by market source in the Eastern Slopes has been almost evenly divided between commercial-industrial (48%) and tourism activities (44%). It should be noted that approximately one-third of commercial-industrial demand was generated from work crews, while almost one-fifth of tourism demand was ski-oriented (overflow from Banff and Jasper).

2.4 Other Fixed Accommodation Categories

The following chart shows the estimated average room demand percentages by guest origin for Alberta's other types of fixed accommodation, i.e. guest/tourist homes, youth hostels, YMCA/YWCAs, vacation farms/dude ranches and hunting/fishing and trail riding outfitters.

OTHER FIXED ACCOMMODATION CATEGORIES
AVERAGE DEMAND BY GUEST ORIGIN
1976

<table>
<tr><th></th><th colspan="4">Guest Origin (%)</th></tr>
<tr><th></th><th>Alberta</th><th>Other Can. Prov.</th><th>U.S.A.</th><th>Other Foreign</th></tr>
<tr><td>Guest/Tourist Homes[1]</td><td>30</td><td>24</td><td>24</td><td>22</td></tr>
<tr><td>Youth Hostels[2]</td><td colspan="3">82</td><td>18</td></tr>
<tr><td>YMCA/YWCAs[3]</td><td>46</td><td>48</td><td>4</td><td>2</td></tr>
<tr><td>Vacation Farms/Dude Ranches[4]</td><td>90</td><td colspan="3">10</td></tr>
<tr><td>Hunting/Fishing & Trail Riding Outfitters[5]</td><td>80</td><td colspan="3">20</td></tr>
</table>

It can be seen that Albertans have made more use of vacation farms/dude ranches and outfitters, while other foreigners have been accommodated more often in tourist homes and youth hostels. YMCA/YWCAs have had a higher concentration of other Canadians, primarily in the province seeking employment.

1 Based on 5 tourist home interviews; in Jasper, this type of accommodation caters more to Albertans, while in Banff, to other foreigners.

2 Represents all 23 youth hostels in the province (Alberta Hostelling Association).

3 Represents all 4 YMCA/YWCAs in the province that provide overnight accommodation.

4 Based on interviews with Alberta Country Vacations Association and Travel Alberta personnel.

5 Based on interviews with Travel Alberta personnel.

3. REVENUES

The various accommodation revenue indicators have been compiled from operating information collected from the 230 randomly selected establishments interviewed during the field work portion of this study. They are presented according to region, TIAALTA zone, census division, category, size range and location parameters in tables in each respective indicator subsection or in Appendix I. Since not all properties provided complete revenue breakdowns, the respective sample size has been indicated on these tables.

3.1 Average Room Revenue (Table 68 in Appendix I)

The provincial average room revenue per establishment and per room were found to be $229,449 and $4,992 in 1976. By category of accommodation, hotels and motor hotels showed the highest average 1976 room revenues per unit at $5,119 and $5,040 respectively, while cabin/bungalow properties were recorded the lowest at $3,926. This cabin/bungalow room revenue per unit figure is a low estimate since the majority of properties interviewed in this category were seasonal operations. On a year-round basis, this type of lodging would be achieving an approximate $4,300 room revenue per unit. A direct correlation existed between the number of rooms per establishment and higher average room revenues.

According to the sample of 214 establishments that provided room revenue figures, the following total room revenue and percentage contribution by category were recorded:

TOTAL SAMPLE ROOM REVENUE BY CATEGORY 1976

	No. of Establishment Respondents	Total Room Revenue ($)	% Contribution of Room Revenue
Hotels	78	25,039,161	51.0
Motels	100	12,790,703	26.1
Motor Hotels	22	7,454,801	15.2
Lodges	2	2,957,000	6.0
Cabin/Bungalows	12	859,695	1.7
TOTAL	214	$ 49,101,360	100.0

In relation to Statistic Canada's most recent accommodation statistics, the following room revenues per unit have been recorded for Alberta, other comparative provinces and Canada:

ROOM REVENUE PER UNIT ACCORDING TO STATISTICS CANADA 1975

	Alberta	PKF & A Alberta 1976	British Columbia	Ontario	Canada
Provincial/National*	$ 3,502	$ 4,992	$ 3,206	$ 3,144	$ 3,050
Hotels	3,565	5,119 (hotel) 5,040 (motor hotel)	3,424	3,792	3,330
Motels	3,383	4,331	2,722	2,332	2,492
Tourist Court/Cabins	2,036	3,926 (cabin/ bungalow)	1,976	887	1,073

* Excludes revenues for outfitters

Source: 1975 Statistics Canada Traveller Accommodation Statistics.

From a review of the above chart, it can be seen that the Alberta accommodation industry has achieved higher room revenues per unit than the national and various other provincial averages, except possibly in the hotel sector when compared to Ontario. It would seem that our room revenue per unit estimates tend to be on the high side, but taking into consideration that these figures were compiled for 1976 and the questionable reliability of Statistics Canada's estimates, we feel that these statistics are a fair evaluation of the industry's room revenue performance.

3.2 Average Food and Beverage Revenue (Table 69 in Appendix I)

The provincial average food and beverage revenue per establishment and per room were found to be $376,488 and $8,124 in 1976. By category of accommodation, motor hotels and hotels exhibited by far the highest average 1976 food and beverage revenue per room at $17,930 and $10,256 respectively with motels recorded the least at $747. It is understandable that motel and cabin/bungalow properties experienced the lowest recordings since the majority of these establishments do not contain food and beverage facilities and are in fact, primarily in the room business. As with average room revenue, a direct correlation also existed between the number of rooms per establishment and higher average food and beverage revenue.

According to the sample of 209 establishments that provided food and beverage revenue figures, the following total food and beverage revenue and percentage contribution by category were recorded:

TOTAL SAMPLE FOOD AND BEVERAGE REVENUE
BY CATEGORY
1976

	No. of Establishment Respondents	Total Food & Beverage Revenue ($)	% Contribution of F&B Revenue
Hotels	76	49,381,732	62.8
Motels	98	2,157,528	2.7
Motor Hotels	21	24,581,800	31.2
Lodges	2	2,070,000	2.6
Cabin/Bungalows	12	495,000	0.7
TOTAL	209	$ 78,686,060	100.0

In relation to Statistics Canada's most recent accommodation statistics, the following food and beverage revenues per unit have been recorded for Alberta, other comparative provinces and Canada:

FOOD AND BEVERAGE REVENUE PER UNIT
ACCORDING TO STATISTICS CANADA
1975

	Alberta	PKF & A Alberta 1976	British Columbia	Ontario	Canada
Provincial/National*	$ 7,054	$ 8,124	$ 5,136	$4,140	$ 4,864
Hotels	9,989	17,930 (motor hotel) 10,256 (hotel)	8,357	6,361	6,876
Motels	288	747	419	1,102	1,116
Tourist Court/Cabins	595	I/S	344	206	299

* Excludes revenues for outfitters.
I/S: Insufficient sample.

Source: 1975 Statistics Canada Traveller Accommodation Statistics.

From a review of the above chart, it can be stated that the Alberta accommodation industry has achieved higher food and beverage revenues per unit than the national and various provincial averages, except in the motel sector. It would seem that motels in other parts of Canada are much more diversified in the food and beverage area than in Alberta and have experienced more revenues from this source. Once again, our estimates seem to be on the high side but taking into account our views which were similarly stated in the previous subsection, we feel that they are a fair evaluation of food and beverage revenue generated.

3.3 Average Other Revenue (Table 70 in Appendix I)

The provincial average "other" revenue (i.e. merchandise sales including cigarettes, periodicals, commissions on guest laundry, recreation rentals, etc.) per establishment and per room were found to be \$16,689 and \$360 in 1976. By category of accommodation, motor hotels and hotels displayed the highest 1976 other departmental revenue per room at \$562 and \$435 respectively.

According to the sample of 210 establishments that provided other revenue figures, the following total other revenue and percentage contribution by category were recorded:

TOTAL SAMPLE OTHER REVENUE BY CATEGORY 1976

	No. of Establishment Respondents	Total Other Revenue ($)	% Contribution of Other Revenue
Hotels	75	2,089,785	59.6
Motels	100	167,616	4.8
Motor Hotels	21	770,600	22.0
Lodges	2	177,000	5.1
Cabin/Bungalows	12	299,685	8.5
TOTAL	210	$ 3,504,686	100.0

In relation to Statistics Canada's most recent accommodation statistics, the following other revenues per unit have been recorded for Alberta, other comparative provinces and Canada:

OTHER REVENUE PER UNIT ACCORDING TO STATISTICS CANADA 1975

	Alberta	PKF&A Alberta 1976	British Columbia	Ontario	Canada
Provincial/National*	$ 731	$ 360	$ 652	$ 523	$ 614
Hotels	905	562 (motor hotel) 435 (hotel)	852	500	699
Motels	217	I/S	164	356	265
Tourist Court/Cabins	635	I/S	437	286	296

* Excludes revenues for outfitters
I/S: Insufficient sample.

Source: 1975 Statistics Canada Traveller Accommodation Statistics.

From a review of the above chart, it can be seen that the Alberta accommodation industry has achieved higher "other" revenues per unit than the national and various other provincial averages, except possibly in the motel sector where revenue generated seems about the same. Our 1976 estimates seem to be understated and it is quite possible that revenues for other income, acquired from operators interviewed, were not appropriately recorded by them under this revenue department.

Overall, it can be concluded that, on a provincial basis, Alberta's accommodation industry has been generating more than sufficient sales on a per room basis when related to national and other comparable provincial statistics. In particular, the industry has been more oriented to the food and beverage business when comparing the various average departmental revenues per room. A ratio of 1.75 : 1 in favour of food and beverage sales was estimated from the field work sample. This predominance of food and beverage revenue is a unique aspect of the Alberta accommodation industry since it is substantially above the Canadian average (i.e. 62.5% of total industry revenue compared to Canadian average of 57% or, with respect to beverage only, 43.4% of total industry revenue as to 34.7% Canadian average - Statistics Canada 1975 Traveller Accommodation Statistics). Only the provinces of Manitoba and Saskatchewan have shown a heavier reliance on this revenue source.

3.4 <u>Estimated Total Provincial Revenue</u>

The accommodation industry in the Province of Alberta was estimated to have $434 million in total receipts in 1976. This provincial total revenue figure was derived by multiplying the various sample average

departmental revenues per category room (in previous three subsections) against available rooms per category and then adding estimated receipts for other types of fixed accommodation. This calculation resulted in the following:

ESTIMATED TOTAL PROVINCIAL ACCOMMODATION REVENUE
BY CATEGORY
1976

	No. of Available Rooms	Room Revenue ($)	F&B Revenue ($)	Other Revenue ($)	Total Revenue ($)
Hotels	14,221	72,797,299	145,850,576	6,186,135	224,834,010
Motels	10,441	45,219,971	7,799,427	595,137	53,614,535
Motor Hotels	5,834	29,403,360	104,603,620	3,278,708	137,285,688
Lodges[1]	703	5,282,342	3,704,107	316,350	9,302,799
Cabin/Bungalows	1,056	4,145,856	2,386,560	528,000	7,060,416
SUBTOTAL	32,255	156,848,828	264,344,290	10,904,330	432,097,448
Other Types of Fixed Accommodation:					
Guest/Tourist Homes[2]					450,000
Youth Hostels[3]					98,000
YMCA/YWCAs[4]					800,000
Vacation Farms/Dude Ranches[5]					20,000
Hunting/Fishing & Trail Rider Outfitters[6]					775,000
SUBTOTAL					2,143,000
TOTAL PROVINCIAL REVENUE					434,240,448

1 Average other departmental revenue per room for lodges was lowered since it was recognized as not being representative for this category (i.e. one large lodge in sample distorted typical category representation).

2 Estimate based on five property interviews.

3 Exact lodging revenue, excluding goods sold in shops.

4 Exact lodging revenue for transients, excluding permanent guests (over one month stay).

5 Based on interviews with Alberta Country Vacations Association and Travel Alberta.

6 Based on interviews with Travel Alberta personnel and in relation to Statistics Canada published figures for outfitters.

When this same procedure was applied by size range as opposed to category, a very similar total provincial revenue was calculated with only a marginal difference of $5 million.

Since Statistics Canada's and Alberta Bureau of Statistics' provincial accommodation receipts for 1976 have not yet been published, there are no means to compare these revenue estimates. However, the following chart shows our 1976 estimates in relation to Statistics Canada and Alberta Bureau of Statistics' most recent revenue figures:

ALBERTA ACCOMMODATION RECEIPTS
BY CATEGORY

	PKF&A Estimates	Statistics Canada		Alta. Bureau of Statistics
	1976	1975	1974	1974
Hotels[1]	371.5	294.0	240.7	173.0
Motels[2]	53.6	31.3	25.8	26.6
Tourist Court/Cabins[3]	7.0	3.0	3.2	2.4
Others[4]	2.1	0.7	.8	-
TOTAL	434.2	329.0	270.5	202.0

1 PKF&A estimate corresponds to hotel, motor hotel and lodge categories identified in this study. Number of rooms in statistical universe: PKF&A (20,758), Stats. Canada (20,333) and Alta. Statistics (not available).

2 Number of rooms in statistical universe: PKF&A (10,441), Stats. Canada (8,051) and Alta. Statistics (not available).

3 Number of rooms in statistical universe: PKF&A (1,056), Stats. Canada (839) and Alta. Statistics (not available).

4 Includes other fixed accommodation types described earlier in PKF&A estimate, while Stats. Canada figure includes only outfitters.

It would seem that our revenue estimates tend to be on the high side, but taking into account that these figures were compiled for 1976 and the questionable reliability of Statistic Canada's estimates, it would be fair to conclude that the accommodation industry in Alberta provided total receipts in the magnitude of $400 to $430 million. This relative revenue size to other industries in Alberta has been displayed below:

INDUSTRY*	1976 ($ million)
Mining	6,471
Retail Trade	5,290
Construction	2,423
Manufacturing	1,707
Agriculture	1,383
Tourism	710**
Accommodation	434

*Mining, construction, manufacturing and agriculture are net value of production figures, while others receipts. Net value is receipts minus cost of materials, supplies and cost of fuel and electricity used.

**Includes the tourism component of accommodation revenue.

As a percentage of the province's Gross Domestic Product of an estimated $18 billion in 1976, the tourism and accommodation industries represented approximately 4 and 2% respectively. Assuming that our provincial revenue estimate is reasonable, the accommodation industry also provided 17% of Alberta's $2.5 billion services receipts.

TABLE 21

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE ROOM RATE

1976: $20.44 (214 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	14.45	20.47	12.02	29.11	23.47	16.94									
TIAALTA ZONE [b]	17.27	16.34	10.89	13.44	10.43	14.50	14.14	11.90	32.65	23.47	20.47	27.13	15.76	14.71	
CENSUS DIVISION [c]	17.93	17.67	13.36	9.05	10.91	23.49	11.45	13.91	27.83	12.91	19.71	14.83	11.87	15.02	14.95
CATEGORY [d]	21.21	16.92	20.32	I/S	19.45										
SIZE RANGE [e]	10.23	13.16	14.05	19.12	20.33	34.05	I/S								
LOCATION [f]	19.08	21.53													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient sample

3.5 Average Room Rates (Table 21)

The accommodation industry achieved an average provincial room rate of \$20.44 in 1976. This figure represents the average rate per occupied room. Three regions, i.e. Banff-Jasper National Parks, Calgary & District and the City of Edmonton recorded average room rates above this provincial figure. On a TIAALTA zone basis, the above same areas were again ahead, those being Zones 9, 10, 11 and 12.

Of the five main categories of accommodation, hotels exhibited the highest average room rates at \$21.21, while motels the lowest at \$16.92. Other than for hotels, all other categories were below the provincial norm. A direct correlation was found to exist between the size of operation and higher average room rates. Urban accommodation establishments showed a higher average room rate than those properties located in rural areas.

In comparison with other provinces in Canada and to the United States, Alberta's average room rates appear to be low. For example, British Columbia's 1976 average room rates for its hotel/motor hotel and motel/resort sectors were \$26.77 and \$18.61[1] respectively, while the average rates for Canada and the U.S. in the same year were \$29.49[2] and \$27.92[3]. It would seem that a certain degree of discounting from advertised rates has been taking place

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1. Pannell Kerr Forster & Associates, 1976 Annual Trends in the Hotel and Motor Hotel Business in B.C. and 1976 Annual Trends for Motels and Resorts in B.C. (sample of 118 accommodation establishments)

2. Pannell Kerr Forster & Company, Trends in the Hotel Business, 1977 International Edition (sample of 150 Canadian accommodation establishments)

3. Harris Kerr Forster & Company, Trends in the Hotel-Motel Business, 1977 U.S.A. Edition (sample of 800 accommodation establishments)

in the province. However, the problem at the moment from the public's point of view is the perceived price differential between the Canadian and the American tourism product, including lodging room rates. According to various lodging industry statistical trend publications, the first-class hotels/and motor hotels in Canada and in the Province of Alberta have consistently displayed higher prices in terms of room rates and food and beverage prices over the past few years in comparison to its U.S. counterparts. The major reasons for these price differentials are higher construction costs and the related operating costs such as labour and food sold in hotel foodservice facilities. Differences can also be seen in other cost components within the industry when measured on a per available room basis, such as municipal taxes, interest on long-term debt, etc. It would seem that Alberta's average room rates have not reached the stage where they have become excessive in relation to costs.

4. PROFITABILITY

The various accommodation profitability indicators have been compiled from operating information collected from the 230 randomly selected establishments interviewed during the field work portion of this study. They are presented on a province and category basis only, since not all properties provided their profit levels. Although the average profit level and respective ratios compiled provide useful information, the data should be employed with some caution due to the small sample size and the differences in the financial structure of firms (e.g. differing depreciation methods utilized, differing debt to equity structures existing, etc.)

4.1 Average Gross Operating Profit

Gross operating profit (GOP) is defined as profits after all operating expenses, but before all occupancy and financing costs. Occupancy costs include rent, municipal taxes, real estate taxes, fire insurance, depreciation, while financing costs are reflected in interest expense. Income taxes are also excluded from this profitability figure.

In the following chart, 1976 average gross operating profits for the Alberta accommodation industry by category have been documented:

ALBERTA ACCOMMODATION INDUSTRY
AVERAGE GROSS OPERATING PROFIT
1976: $201,886 (93 ESTABLISHMENTS)
$3,699 (5,076 ROOMS)

	Number of Sample Establishments	Per Establishment	Per Room
Hotel	34	$ 207,874	$ 3,119
Motel	41	81,811	2,323
Motor Hotel	12	543,555	5,021
Lodge	1	I/S	I/S
Cabin/Bungalow	5	30,167	2,095

I/S: Insufficient sample

The provincial average GOP per room was found to be $3,699 in 1976. In our opinion, this figure would seem to be close to the average of the whole industry in Canada. From various industry trends publications that compile a dollar value for GOP per room for both hotels and motor hotels combined, it was shown that their figures of $3,156 nationally and $3,349[1] for Ontario were close to those similar category figures in Alberta as shown above. However, motor hotel operations in Alberta are performing at a better GOP per room level when compared to similar establishments across Canada.

In addition, it was found from our analysis that a direct correlation existed between the size of operation and higher average GOP levels. According to 1974 and 1975 average GOP levels which were also collected from the Alberta establishments interviewed, all categories of accommodation except hotels have experienced higher GOP averages in 1976.

4.2 Average Operating Efficiency Ratio

The operating efficiency ratio (or gross operating profit ratio-GOP ratio) is a measure of managerial operating performance. It represents the percentage relationship of gross operating profit to total revenue.

In the following chart, 1976 GOP ratios for the Alberta accommodation industry by category have been recorded:

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1. Pannell Kerr Forster & Company, Trends in the Hotel Business, 1977 International Edition (sample of approximately 150 Canadian accommodation establishments).

ALBERTA ACCOMMODATION INDUSTRY
AVERAGE OPERATING EFFICIENCY RATIO
1976: 34.96% (93 ESTABLISHMENTS)

	Number of Sample Establishments	Per Establishment
Hotel	34	24.49
Motel	41	45.22
Motor Hotel	12	27.92
Lodge	1	I/S
Cabin/Bungalow	5	39.35

I/S: Insufficient sample

The provincial average GOP ratio was found to be 34.96% in 1976. In our opinion, this percentage figure shows a very high level of operating efficiency for the Alberta accommodation industry when related to the entire industry across Canada. Based on various industry trends publications which compile GOP ratios for both hotels and motor hotels combined, it was found that their published GOP ratios were remarkably close (e.g. Canada and Ontario measured at 22% and 24% respectively[1]) to those of similar category ratios shown above for Alberta. In the broadest sense, it would appear that the accommodation industry in Alberta has been performing at a slightly higher level of efficiency when compared to the lodging industry in other parts of Canada.

[1] Pannell Kerr Forster & Company, Trends in the Hotel Business, 1977 International Edition (sample of approximately 150 Canadian accommodation establishments)

4.3 Average Profit After Tax

Profit after tax or net profit is defined as profits after all operating expenses, occupancy and financing costs and income taxes have been deducted.

In the following chart, 1976 net profit figures for the Alberta accommodation industry by category have been provided:

ALBERTA ACCOMMODATION INDUSTRY
AVERAGE PROFIT AFTER TAX
1976: $31,518 (73 ESTABLISHMENTS)
$810 (2,673 ROOMS)

	Number of Sample Establishments	Per Establishment	Per Room
Hotel	27	$ 8,331	$ 601
Motel	36	10,301	326
Motor Hotel	6	162,736	1,500
Lodge	1	I/S	I/S
Cabin/Bungalow	3	4,547	239

I/S: Insufficient sample

The overall provincial net profit per room was found to be $810 in 1976. By category of accommodation, motor hotels and hotels achieved the highest averages, while cabin/bungalow properties experienced the lowest. Since no comparative figures have been published on an industry basis, it is our opinion

that these net profit levels are favourable. From our analysis, it was also found that a direct correlation existed between the size of operations and higher average net profit levels. In addition, according to 1974 and 1975 average net profit levels that were also compiled, all categories of accommodation except hotels were found to have experienced higher net profit averages in 1976.

4.4 Average Profit Margin

Profit margin is the most common measure of operating profitability. This ratio expresses the relationship between net profit after income taxes and total revenue. The profit margin is significant since it presents the record of annual performance expressed as a rate of return on sales. A high profit margin on sales does not ensure a high return on investment, nor does a low profit margin necessarily result in an inadequate return on equity. The important variable is the volume of sales needed in either case to produce an adequate dollar profit.

The provincial average profit margin was found to be 8.49% in 1976. By category of accommodation, cabin/bungalow properties and motels exhibited the highest average profit margins at 13.34% and 12.13% respectively, while motor hotels and hotels the lowest at 7.61% and 3.11%.

Based on the most recent data from Statistics Canada (i.e. Corporation Financial Statistics and Corporations and Labour Unions Returns catalogues) which compiles percentage profit on sales (or profit margin) for approximately 10,000 incorporated hotels in Canada, it was found that their average profit margins for hotels in 1972 and 1973 were 2.6% and 3.3%

respectively. In the broadest sense, it would appear that the incorporated hotel and motor hotel categories in Alberta have been achieving slightly higher net profit levels in relation to total sales when compared to the above hotel national averages. While this does indicate that hotels and motor hotels have been operating at about the same level of efficiency as the national average, it does not mean that the establishments have produced better returns on equity for their owners.

5. RATES OF RETURN

The various rate of return figures have been compiled from operating information collected from the 230 randomly selected establishments interviewed during the field work portion of this study. They are presented at the provincial level only since not all properties provided their profit levels and owner's equity which are required in the compilation of a rate of return. However, it should be clearly understood that although the following average rate of return percentages are useful information, the data should be employed with extreme caution in comparison with a given firm due to the small sample size and the differences in the financial structure of firms.

5.1 Average Rate of Return on Equity

The rate of return on owners' equity ratio (ROI) measures the adequacy of the profits from operations in providing a return on the total owners' investment in the business. This ratio expresses the percentage relationship between net profit after taxes and owners' equity.

The provincial average ROI per establishment was found to be 17.6% in 1976 (21% of field work establishments interviewed). In our opinion, this rate of return percentage is very healthy since on average most accommodation

establishments should be striving for a 15% to 20% rate on their investment.

Based on the most recent data from Statistics Canada (i.e. Corporation Financial Statistics and Corporations and Labour Unions Returns catalogues) which compiles percentage profit on net worth (or rate of return on owners' equity) for approximately 10,000 incorporated hotels in Canada, it was found that their average rate of returns for hotels in 1972 and 1973 were 9.9% and 12.2% respectively. Generally, it can be construed that the incorporated hotel and motor hotel properties that were interviewed in Alberta have been achieving similar rates of return on owners' equity when compared to the above hotel national averages. If these ratios are considered by themselves, they simply inform the owners that they earned a return on their investment and the rate of that return. If the full value of the information provided by these ratios is to be derived, the owners must be in a position to compare this rate with other available investment opportunities.

5.2 Average Rate of Return Trends

According to 1974 and 1975 average ROI percentages which were also compiled, it would seem that all categories of accommodation except hotels have experienced better average rates of return in 1976. By legal form of organization, only incorporated companies seemed to show a slight increase in their 1976 average ROI over 1974.

6. OPERATING EXPENSES

The various accommodation operating expense indicators have been compiled from information collected from the 230 randomly selected establishments interviewed during the field work portion of this study. They are

presented according to region, TIAALTA zone, census division, category, size range and location parameters in tables in each respective indicator subsection or in Appendix I. Since not all properties provided their staff payroll and taxes paid, the respective sample size has been indicated on these tables.

6.1 Average Staff Payroll (Table 75 in Appendix I)

The provincial average staff payroll per establishment and per room were found to be $230,563 and $4,088 in 1976. By category of accommodation, motor hotels and hotels showed the highest average staff payrolls per room at $5,990 and $5,003 respectively, while motels recorded the lowest at $1,126. This situation is understandable since motor hotels and hotels had higher food and beverage salaries and wages in comparison to motels. As expected, a direct correlation existed between the number of rooms per establishment and higher staff payroll.

According to the sample of 137 establishments who provided staff payroll figures, the following total staff payroll and percentage contribution by category were recorded:

TOTAL SAMPLE STAFF PAYROLL BY CATEGORY 1976

	Number of Establishment Respondents	Total Staff Payroll ($)	% Contribution of Staff Payroll
Hotels	50	20,316,073	64.3
Motels	62	2,218,608	7.0
Motor Hotels	18	7,469,650	23.6
Lodges	1	1,400,000	4.4
Cabin/Bungalows	6	182,841	0.7
	137	$ 31,587,172	100.0

In relation to Statistics Canada's most recent accommodation statistics the following staff payroll (salaries and wages) per room have been recorded for Alberta, other comparative provinces and Canada:

STAFF PAYROLL PER ROOM ACCORDING TO STATISTICS CANADA 1975

	Alberta	PKF&A Alberta 1976	British Columbia	Ontario	Canada
Provincial/National*	$ 2,977	$ 4,088	$ 2,756	$2,100	$ 2,296
Hotels	3,905	5,990 (motor hotel) 5,003 (hotel)	4,204	3,152	3,122
Motels	853	1,126	673	737	832
Tourist Court/Cabins	867	I/S	429	143	234

* Excludes salaries and wages for outfitters.
I/S: Insufficient sample.

Source: 1975 Statistics Canada Traveller Accommodation Statistics.

From a review of the above chart, it can be seen that the Alberta accommodation industry has been paying higher salaries and wages per room than the respective national and various provincial averages, except in the hotel sector when compared to British Columbia. It would seem that our salaries and wages per room estimates tend to be on the high side, but taking into account that these figures were compiled for 1976 and the questionable reliability of Statistics Canada's estimates, we feel that these statistics represent a fair evaluation. In addition, from various industry trends publications that compile a 1976 dollar value for salaries and wages per room for both hotels and motor hotels combined, it was shown that their figures of \$4,605 nationally and \$4,146 for Ontario[1] were lower when compared to similar category figures in Alberta, as shown above. However, as a matter of interest, British Columbia showed a dramatic \$8,082 per room for salaries and wages in 1976.

6.2 Estimated Total Provincial Payroll

The accommodation industry in the Province of Alberta was estimated to have provided \$120 million in total staff payroll in 1976, approximately 28% of the total provincial accommodation revenue. This approximate payroll was derived in two ways. Firstly, the average staff payroll per establishment according to both category and size range (Table 30, over page) was multiplied by the total number of establishments in the province with respect to these same parameters and then added to the estimated salaries/wages for other types of fixed accommodation. Secondly, the average staff payroll per room by category (Table 75 in Appendix I) was multiplied by the

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1. Pannell Kerr Forster & Company, Trends in the Hotel Business, 1977 International Edition (sample of 150 Canadian accommodation establishments).

TABLE 30
ALBERTA ACCOMMODATION INDUSTRY
PROVINCIAL ESTABLISHMENT TOTAL AND AVERAGE STAFF PAYROLL ($)
PER ESTABLISHMENT BY CATEGORY AND SIZE RANGE *
1976

Category / Size Range	0-9	10-24	25-49	50-75	76-199	200-499	500+	Total Establishment By Category
HOTEL	75 / 29,608	178 / 80,125	95 / 129,816	27 / 184,433	20 / 422,589	7 / 2,192,250	2 / I/S	404
MOTEL	51 / 4,000	188 / 14,431	107 / 345,502	37 / 67,831	10 / 114,334			393
MOTOR HOTEL	N/A / N/A	6 / 85,450	23 / 229,000	30 / 321,643	24 / 603,140	2 / I/S		85
LODGE	N/A / N/A	5 / 42,000	2 / 80,000^e	N/A / N/A	2 / 400,000^e	1 / I/S		10
CABIN/BUNGALOW	22 / 7,750	21 / 15,500^e	11 / 65,000^e	4 / 85,000^e				58
Total Establishments By Size Range	148	398	238	98	56	10	2	950

N/A: Not applicable
I/S: Insufficient sample
e : PKF&A estimate

* Figure above the diagonal line is number of establishments in Alberta by category and size range.

total number of rooms in the province by category and then added to the estimated salaries/wages for other types of fixed accommodation. These two calculations resulted in the following:

ESTIMATED TOTAL PROVINCIAL
ACCOMMODATION PAYROLL BY CATEGORY
1976

	Number of Establishments	No. of Rooms	Total Payroll by Establishment ($)	Total Payroll by Room ($)
Hotels	404	14,221	64,942,591	71,147,663
Motels	393	10,441	11,438,829	11,756,566
Motor Hotels	85	5,834	34,904,350	34,945,660
Lodges	10	703	2,570,000	2,696,708
Cabin/Bungalows	58	1,056	1,551,000	2,326,368
SUB TOTAL	950	32,255	115,406,770	122,872,965
Other Types of Fixed Accommodation				
Guest/Tourist Homes[1]			75,000	75,000
Youth Hostels[2]			27,500	27,500
YMCA/YWCAs[3]			375,000	375,000
Vacation Farms/Dude Ranches[4]			5,000	5,000
Hunting/Fishing and Trail Rider Outfitters[5]			150,000	150,000
SUB TOTAL			632,500	632,500
TOTAL Provincial Payroll			$ 116,039,270	$ 123,505,465

1 Estimate based on 5 tourist home interviews
2 Exact payroll (Alberta Hostelling Association)
3 Estimate based on 4 YMCA/YWCAs interviewed that provide overnight accommodation
4 Estimate based on interviews with Alberta Country Vacations Association and Travel Alberta personnel
5 Estimate based on interviews with Travel Alberta personnel and in relation to statistics Canada published figures for outfitters

Since Statistics Canada's and Alberta Bureau of Statistics' provincial accommodation payroll figures for 1976 have not yet been published, there are no means to compare these staff payroll estimates. However, the following chart shows our 1976 estimates in relation to Statistics Canada and Alberta Bureau of Statistics' most recent payroll figures:

ALBERTA ACCOMMODATION PAYROLL
BY CATEGORY

	PKF&A Estimates 1976	Statistics Canada 1975	Alta. Bureau of Statistics 1974
Hotels[1]	105.6	79.4	44.8
Motels[2]	11.6	6.9	5.5
Tourist Court/Cabins[3]	1.9	0.7	0.7
Others[4]	0.6	0.1	-
TOTAL	119.7	87.1	51.0

1. PKF&A estimate corresponds to hotel, motor hotel and lodge categories identified in this study. Number of establishments in statistical universe: PKF&A (499), Stats. Canada (467) and Alta. Stats (444).
2. Number of establishments in statistical universe: PKF&A (393) Stats. Canada(326) and Alta.Stats (347).
3. Number of establishments in statistical universe: PKF&A (58), Stats. Canada (53) and Alta.Stats (53).
4. Includes other fixed accommodation types described earlier in PKF&A estimate, while Stats.Canada figure includes only outfitters.

It would seem that our 1976 payroll estimates tend to be on the high side, but taking into account the reasons mentioned for the reliability in our total employment and revenue figures, plus cost of living increases it would be fair to conclude that the accommodation industry in Alberta provided a total payroll (or salaries/wages) in the order of $120 million or $3,720 payroll expense per available room in the province (32,255 units).

6.3 Average Taxes Paid (Table 76 in Appendix I)

The provincial average taxes paid per establishment and per room were found to be $30,309 and $533 in 1976. By category of accommodation, motor hotels and hotels exhibited by far the highest average property/business taxes paid per room at $715 and $646 respectively, while cabin/bungalow properties the lowest at $131. As with average staff payroll, a direct correlation existed between the number of rooms per establishment and higher taxes paid.

According to the sample of 105 establishments who provided the amount of taxes paid, the following total taxes paid and percentage contribution by category were recorded:

TOTAL SAMPLE TAXES PAID
BY CATEGORY
1976

	No. of Establishment Respondents	Total Taxes Paid ($)	% Contribution of Taxes Paid
Hotels	34	1,801,966	56.6
Motels	49	397,782	12.5
Motor Hotels	16	826,128	26.0
Lodges	1	147,000	4.6
Cabin/Bungalows	5	9,550	0.3
TOTAL	105	$3,182,426	100.0

TABLE 31
ALBERTA ACCOMMODATION INDUSTRY
PROVINCIAL ESTABLISHMENT TOTAL AND AVERAGE PROPERTY
AND BUSINESS TAXES PAID ($) BY CATEGORY AND SIZE RANGE *
1976

Category / Size Range	0-9	10-24	25-49	50-75	76-199	200-499	500+	Total Establishment By Category
HOTEL	75 / 3,417	178 / 8,541	95 / 10,578	27 / 11,216	20 / 48,819	7 / 210,825	2 / I/S	404
MOTEL	51 / 1,184	188 / 4,313	107 / 8,803	37 / 12,665	10 / 23,500			393
MOTOR HOTEL	N/A / N/A	6 / 7,600	23 / 36,500	30 / 40,593	24 / 85,795	2 / I/S		85
LODGE	N/A / N/A	5 / 5,000	2 / 10,000e	N/A / N/A	2 / 27,000e	1 / I/S		10
CABIN/BUNGALOW	22 / 850	21 / 2,000e	11 / 5,000e	4 / 7,000e				58
Total Establishments By Size Range	148	398	238	98	56	10	2	950

N/A: Not applicable
I/S: Insufficient sample
e: PKF&A estimate
* Figure above the diagonal line is number of establishments in Alberta by category and size range.

6.4 Estimated Total Provincial Taxes

The accommodation industry in the Province of Alberta was estimated to have paid $15 million in property and business taxes in 1976. The Alberta Hotel Associations' annual 1976 report showed that the industry also paid approximately $6.4 million in taxes for the purchase of alcoholic beverages (i.e., 4% and 7% tax on beer and liquor respectively and $418,000 in liquor licence fees). In total, the Alberta accommodation industry contributed some $21.8 million in taxes (approximately 5% of the industry's total revenue in 1976) to both municipal and provincial governments, excluding income taxes.

The total property and business taxes were derived in two ways. Firstly, the average taxes paid per establishment according to both category and size range (Table 31, opposite page) were multiplied by the total number of establishments in the province with respect to those parameters. Secondly, the average taxes paid per category room (Table 76 in Appendix I) was multiplied by the total number of rooms in the province by category. These two calculations resulted in the following:

ESTIMATED TOTAL PROVINCIAL PROPERTY/
BUSINESS TAXES PAID BY CATEGORY OF ACCOMMODATION*
1976

	Number of Establishment	No. of Rooms	Total Taxes Paid By Establishment ($)	Total Taxes Paid By Room ($)
Hotels	404	14,221	6,336,470	9,186,766
Motels	393	10,441	2,516,754	2,631,132
Motor Hotels	85	5,834	4,611,970	4,171,310
Lodges	10	703	246,000	283,309
Cabin/Bungalows	58	1,056	243,700	138,336
TOTAL	950	32,255	$ 13,954,894	$ 16,410,853

* Excludes other types of fixed accommodation.

When this total property/business tax by room basis was divided by the number of rooms available in Alberta in 1976, a tax cost of $509 per unit was estimated. In comparison to the U.S. accommodation industry, this property/business tax per room was approximately 4% higher[1].

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1. Harris Kerr Forster & Company, Trends in the Hotel-Motel Business, 1977 U.S.A. Edition (sample of 800 accommodation establishments)

PART C

INDUSTRY DEVELOPMENT OPPORTUNITIES

"Several key factors are, therefore, crucial in providing accommodation for the tourist and to the viability of an accommodation unit: the right location, correct capacity and a high level of utilization."

- A.J. Burkart and S. Medlik
  Tourism: Past, Present and Future (1974)

"One of the most important tasks of a planner is to consider the necessary future development in the tourist accommodation sector in order to meet forecast increases in the country's tourist traffic."

- S. Wahab
  Tourism Management (1975)

"The capacity of a destination for staying traffic is determined by the capacity of its hotels and other accommodation units. This is therefore a crucial dimension: to establish the optimum accommodation capacity which is economically viable for the operators and in turn for the economic prosperity of the community, whilst representing the optimum volume of staying visitors for the capacity of the whole destination and its individual attractions."

- A.J. Burkart and S. Medlik
  Tourism: Past, Present and Future (1974)

PART C

INDUSTRY DEVELOPMENT OPPORTUNITIES

1. DATA SYNTHESIS AND FORMULATION OF CRITERIA

1.1 Analysis of Data

The demand for accommodation in each TIAALTA zone and the Eastern Slopes region (hereafter identified as zone) was quantified by using the data contained in Parts A (subsections 1.7 Number of Available Room Nights and 1.11 Eastern Slopes Region) and B (subsection 1.1 Average Annual Occupancy) respectively and was measured in occupied room nights as follows:

Demand (Occupied Room Nights) = Number of Available Room Nights (1976)
x Average Percentage of Occupancy (1976)

Zone supply was expressed in available room nights calculated for individual properties as follows:

Supply (Available Room Nights) = Number of Rooms/Units in the Supply Inventory (1976)
x Number of Days of Operation (1976)

Sources of accommodation demand were expressed in occupied room nights and were calculated for each individual zone by applying the average percentage of demand supplied by the five defined sources (Part B, subsection 5.1, Average Percentage Room Demand by Market Source) to the zone's occupied room night total.

To accurately assess the potential for accommodation development in each zone, a quantitative comparison of existing and projected supply and demand was carried out. Using information gained during the field work, supply was projected by incorporating on-going and proposed accommodation developments. This supply projection was done on two bases, firstly on a pessimistic basis whereby 100% of the new construction proposed for 1977 was assumed to be in place and 75% of new construction proposed for 1978-1980 was assumed to have been proceeded with. Confirmed deletions from supply caused by properties planning to cease operations were subtracted. The second basis for supply projection was a more optimistic one whereby 100% of new room construction proposed for 1977 was also assumed to be in place but only 50% of proposed construction for the period following was assumed to have taken place. Additionally, in this optimistic projection 10%-20% of the existing supply was deemed to be "non-competitive" and thus no longer truly part of the supply. The exact percentage of supply deducted in each zone was determined by the quality of existing supply, estimates of demand growth, makeup of demand and information supplied on plans for upgrading.

In projecting demand by zone a variety of indicators were combined into one composite growth rate including growth in tourist arrivals and convention delegates, increases in occupancy rates from 1974, various economic and demographic indicator growths, growth in accommodation supply since 1972 and the interviews with users of rural accommodation facilities (work crews). Calculations showing how these composite growth rates were derived appear in Appendix 2.

By comparing the supply and demand projections over the period of 1976 to 1980, the degree of satisfaction of demand in each zone was determined and obvious shortages in supply were highlighted. Accordingly, the potential development for individual zones was primarily based on these supply/demand projections and was aimed at correcting shortages in supply without being detrimental to the viability of existing accommodation establishments. The immediacy and overall potential for further accommodation development was defined by categorizing zones into high, medium or low potential areas as described later.

In many of the zones, particularly those adjudged to have a relatively low demand growth rate, it was determined that much of the increase in demand could be met by upgrading of existing establishments. Upgrading has also been proposed for those areas where the makeup of demand is undergoing a change such that demand for lower quality accommodations is being supplanted by demand for higher quality facilities.

1.2 Definition and Application of Criteria

In setting forth criteria to be used in determining development potential for each zone it was borne in mind that they had to be broad enough to define potential as high, medium or low; flexible enough to consider factors not present in all zones; and specific enough to set the time frame of when the potential exists. The primary criteria utilized were:

- current and historical occupancy levels (1974-1976);
- projected occupancy levels (1977-1980);
- current and historical supply (1972-1976);
- projected supply (1977-1980);
- comparison of principal economic/demographic indicators to similar indicators for the province;
- specific factors affecting specific sources of demand such as projected attractions development;
- seasonality;
- particular government policies affecting development, demand and other pertinent aspects; and
- make-up of demand and projected changes to it.

Based on the data in Parts A (subsections 1.7 and 1.9), B (subsections 1.1, 1.2, 2.1) and Appendix 2, most of the above criteria were adjudged to be above average, below average or average for each zone when compared to the provincial average. The criteria were then segregated into a series of positive and negative factors dependent upon their effect on future development. To these factors were added any other factors peculiar to a particular zone, each of which was also adjudged to be a positive or negative influence. The definition of criteria as to whether they are positive or negative and their respective calculations are provided in Appendix 2.

Other criteria utilized included a calculation of the number of additional units supportable at the market and economic occupancy levels and the variance between the pessimistic and optimistic supply/demand projections.

The equations used in calculating the number of additional rooms supportable at these two occupancy levels also appear in Appendix 2. The economic occupancy level is generally defined as the level at which an accommodation facility is generating sufficient cash flow to cover all costs and is producing satisfactory profits as well. Our own experience in this area indicates that this level is usually 70% in urban centres and, due to such factors as lower land costs and private forms of ownership to which a lower level of profit is satisfactory, an occupancy rate of less than 70% can be economic in the above terms. Accordingly, the economic occupancy level for Zone 11 (Edmonton) was assumed to be 70% as it is the only zone that is totally urban. The corresponding level for zones 1, 2, 4, 6, 10, 13 and 14 was assumed to be 68% because of their urban/rural mix while the rural zones of 3, 5, 7, 8, 9, 12 and the Eastern Slopes were assumed to be 65%.

The determination of high, medium or low industry development potential then became a function of determining the preponderance of positive or negative factors, e.g. a preponderance of positive factors including a large number of additional units supportable at the economic operating level resulted in a zone being assessed as having high potential for development, while a preponderance of negative factors resulted in a zone being assessed as having low development potential. In some zones the potential for development was expressed as a range (low-medium, medium-high) to indicate the immediacy of the potential, i.e. a low-medium assessment indicated that the immediate potential was low but due to promising growth indicators, the longer term potential was more promising.

2. DEVELOPMENT POTENTIAL

FIGURE 4

ALBERTA ACCOMMODATION INDUSTRY

SUMMARY OF ZONE DEVELOPMENT POTENTIAL

1977-1980

LOW		MEDIUM		HIGH
Small Number of Rooms Suppportable Due to: 1 Planned New Supply Sufficient to Meet Projected Demand 2 Preponderance of Negative Factors	LOW-MEDIUM	Some Additional Rooms Supportable Due to: 1 Planned New Supply Less Than Projected Demand 2 Average Number of Positive and Negative Factors	MEDIUM-HIGH	Large Number of Rooms Supportable Due to: 1 Planned New Supply Insufficient to Meet Projected Demand 2 Preponderance of Positive Factors
2 Gateway	1 Land of the Big Blue Sky	8 Land of the Mighty Peace	6 Lakeland	7 Evergreen
3 Big Country	5 Battle River	11 City of Edmonton	14 Land of the Midnight Twilight	12 Banff/Lake Louise
4 Land of David Thompson	9 Jasper National Park			13 Game Country
10 Calgary & District	Eastern Slopes			

Development Potential: Low - Medium

21. ZONE I LAND OF THE BIG BLUE SKY

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 102 establishments in 1976, over 50% of which are motels with less 50 units, with a total of 2,627 rooms available
- major concentrations of accommodation establishments in Lethbridge, Fort Macleod and Waterton Lakes National Park
- seven new establishments built between 1972-1976. On a net basis, 431 rooms added to zone's plant. Represents a 19.6% increase in available rooms since 1972 and a compound growth rate in available room nights of 4.9%
- average length of ownership of establishments of 3.5 years
- average of one ownership change per establishment between January 1972 and December 1976
- average room rate of $17.27 in 1976
- average annual occupancy of 70% in 1976
- sources of room demand are 51.8% industrial-commercial, 42.2% tourism, 0.8% group meetings-conventions, 0.8% government and 4.5% other.

POSITIVE FACTORS

- above average 1976 annual occupancy (+ 1.1 points)
- above average 1976 summer season occupancy (+7.3)
- above average occupancy rate growth, 1974 to 1976 (+0.2)
- below average projected supply growth (1977-80)
- growth above the provincial average in 7 of 9 principal economic/demographic indicators between 1971-1976
- low proportion of work crew demand to total room demand
- medium dollar value of proposed industrial projects (Census 2, 3 and 9 $1-$100 million)
- excellent recreational/tourism development potential in Crowsnest Pass area
- current upgrading of Crowsnest Pass Highway 3
- excellent availability of significant attractions (i.e. Forestry Trunk Road, Mormon Temple, Japanese Gardens, Fort Whoop-Up, Waterton Lakes National Park, nine provincial parks, etc.)

NEGATIVE FACTORS

- above average low to high season range in occupancies (+14.2 points)
- below average growth in accommodation supply (1972-76)
- Parks Canada restrictions on accommodation development in Waterton Lakes National Park

ZONE I
ACCOMMODATION SUPPLY/DEMAND MODEL
(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	904,075	904,075	957,365	1,022,974	1,035,293
Added	-	53,290	68,894	15,604	-
Subtracted	-	-	3,285	3,285	-
Total	904,075	957,365	1,022,974	1,035,293	1,035,293
Supply Level B **					
Available	904,075	904,075	949,371	1,000,225	1,005,783
Added	-	53,290	63,693	10,403	-
Subtracted	-	7,994	12,839	4,845	-
Total	904,075	949,371	1,000,225	1,005,783	1,005,783
Demand					
Occupied	632,853	632, 853	657, 136	682, 350	708,532
Growth @ 3.837 %	-	24, 283	25, 214	26, 182	27,186
Total	632,853	657, 136	682, 350	708, 532	735,718
Overall Potential Occupancies (%)					
Supply Level A	70.0	68. 6	66. 7	68. 4	71. 1
Supply Level B	70.0	69. 2	68. 2	70. 4	73. 1

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE I

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

	1977	1978	1979	1980
1. At Market Occupancy Level * (1976 =70.0%)				
Number of Additional Rooms Supportable	95	99	102	106
Cumulative Total	95	194	296	402
2. At Economic Occupancy Level ** (68.0%)				
Number of Additional Rooms-Supportable	171	101	106	109
Cumulative Total	171	272	378	487
3. Proposed New Rooms (Supply Level B)	124	139	15	-
Cumulative Total	124	263	278	278

* Represents the occupancy level of the zone in 1976.

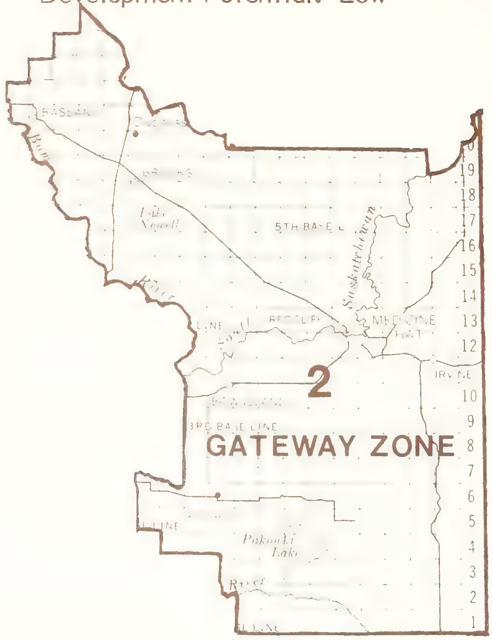
** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE I

CONCLUSION

Despite the encouraging positive indicators of above average annual and seasonal occupancy patterns, above average growth projections, an almost equal balance of commercial and tourist demand and a low proportion of transient work crew demand, development potential in the Land of the Big Blue Sky Zone was assessed as low-to-medium. This assessment was due primarily to the fact that in the near term (i.e. until 1978) the range of rooms supportable was 194-272 with 263 already planned. In the longer term (i.e. until 1980) however, the cumulative supportable range was 402-487 with a cumulative total of 278 planned, leaving the opportunity to develop an additional 124-209 units. Specific opportunities are for a motor hotel development in either Coleman, Cardston or Taber and additional motel, cabin and bungalow units in Waterton Lakes National Park. As well, more camping facilities appear warranted in the Crowsnest Pass, High River and Lethbridge areas and upgrading of existing fixed accommodation should be encouraged in Cardston and Pincher Creek.

Development Potential: Low



2.2 Zone 2 GATEWAY

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 54 establishments in 1976, over 60% of which are motels with less than 50 units, with a total of 1,496 rooms available
- major concentrations of accommodation establishments in Medicine Hat and Brooks
- eight new establishments built between 1972-1976. On a net basis, 394 rooms added to the zone's plant. Represents a 35.8% increase in available rooms since 1972 and a compound growth rate in available room nights of 7.9%.
- average length of ownership of establishments of 6.6 years
- average of 0.7 ownership changes per establishment between January 1972 and December 1976
- average room rate of $16.34 in 1976
- average annual occupancy of 79.3% in 1976
- sources of room demand are 68.9% industrial-commercial, 24.7% tourism, 4.9% group meetings-conventions, 0.6 government and 0.9 other

POSITIVE FACTORS

- above average 1976 annual occupancy (+10.4 points)
- above average 1976 summer season occupancy (+5.8)
- above average occupancy rate growth, 1974 to 1976 (+7.7)
- below average low to high season range in occupancies (-4.1)
- above average growth in accommodation supply (1972-1976)
- growth above the provincial average in 6 of 9 principal economic/demographic indicators between 1971-1976
- low proportion of work crew demand to total room demand
- good recreational/tourism development near Dinosaur and Cypress Hills Provincial Parks
- good availability of significant attractions (i.e. provincial parks, hunting activities, etc.)
- medium dollar value of proposed industrial projects (Census 1 = $11-$100 million)

NEGATIVE FACTORS

- above average projected supply growth (+2.0)
- poor accessibility from Trans-Canada Highway (interchanges required)

ZONE 2
ACCOMMODATION SUPPLY/DEMAND MODEL
(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	546,040	546,040	598,418	674,886	698,976
Added	-	52,378	77,016	24,638	-
Subtracted	-	-	548	548	-
Total	546,040	598,418	674,886	698,976	698,976
Supply Level B **					
Available	546,040	546,040	593,180	654,555	668,789
Added	-	52,378	68,803	16,425	-
Subtracted	-	5,238	7,428	2,191	-
Total	546,040	593,180	654,555	668,789	668,789
Demand					
Occupied	433,010	433,010	448,642	464,838	481,619
Growth @ 3.61%	-	15,632	16,196	16,781	17,386
Total	433,010	448,642	464,838	481,619	499,005
Overall Potential Occupancies (%)					
Supply Level A	79.3	75.0	68.9	68.9	71.4
Supply Level B	79.3	75.6	71.0	72.0	74.6

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 2

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

	1977	1978	1979	1980
1. At Market Occupancy Level * (1976 =79.3%)				
Number of Additional Rooms Supportable	54	56	58	60
Cumulative Total	54	110	168	228
2. At Economic Occupancy Level ** (68 %)				
Number of Additional Rooms Supportable	312	65	68	70
Cumulative Total	312	377	445	515
3. Proposed New Rooms (Supply Level B)	129	168	39	-
Cumulative Total	129	297	336	336

* Represents the occupancy level of the zone in 1976.

** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 2

CONCLUSION

The Gateway Zone was assessed as having low potential for additional development. This zone has consistently exhibited strong year-round demand patterns and a broadly based makeup of demand, but new developments have for the most part kept pace with demand growth. Throughout the period projected (1977-1980), the developments planned fall at the mid-point between market and economic occupancy levels. The one area that appears to offer potential is in Medicine Hat where despite a very competitive market, there appears to be a requirement for a full service motor hotel offering modern banquet and meeting facilities. In all likelihood, this requirement could be satisfied by an expansion and upgrading of an existing establishment. Additional camping facilities also appear warranted in the Brooks and Medicine Hat areas.

Development Potential: Low

2.3 ZONE 3 BIG COUNTRY

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 44 establishments in 1976, over 50% of which are hotels with less than 50 units, with a total of 694 rooms available
- major concentrations of accommodation establishments in Drumheller and Hanna
- no new establishments built between 1972-1976. On a net basis, 29 rooms added to the zone's plant. Represents a 4.4% increase in available rooms since 1972 and a compound growth rate in available room nights of 1.1%
- average length of establishment ownership of 1.9 years
- average of one ownership change per establishment between January 1972 and December 1976
- average room rate of $10.89 in 1976
- average annual occupancy of 75.6% in 1976
- sources of room demand are 75.2 industrial-commercial, 23% tourism, 0.4% government and 1.4% other

POSITIVE FACTORS

- above average 1976 annual occupancy (+6.7 points)
- above average 1976 summer season occupancy (+8.1)
- above average occupancy growth rate, 1974 to 1976 (+22.9)
- medium dollar value of proposed industrial projects (Census 4 = $251-$500 million)
- excellent tourism development potential in Badlands area
- good availability of significant attractions (i.e. Badlands, hoo doos, coal mining ghost towns, etc.)

NEGATIVE FACTORS

- above average low to high season range in occupancies (+7.8 points)
- below average growth in accommodation supply (1972-1976)
- above average projected supply growth (+4.4)
- growth below the provincial average in 5 of 9 principal economic/demographic indicators between 1971-1976
- improvements required in secondary roads and highway accommodation signing
- high proportion of work crew demand to total room demand

ZONE 3

ACCOMMODATION SUPPLY/DEMAND MODEL

(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	253,310	253,310	277,583	328,684	355,512
Added	-	24,273	51,101	26,828	-
Subtracted	-	-	-	-	-
Total	253,310	277,583	328,684	355,512	355,512
Supply Level B **					
Available	253,310	253,310	273,942	309,776	324,978
Added	-	24,273	42,158	17,885	-
Subtracted	-	3,641	6,324	2,683	-
Total	253,310	273,942	309,776	324,978	324,978
Demand					
Occupied	191,502	191,502	198,178	205,086	212,235
Growth @ 3.486%	-	6,676	6,908	7,149	7,399
Total	191,502	198,178	205,086	212,235	219,634
Overall Potential Occupancies (%)					
Supply Level A	75.6	71.4	62.4	60.0	61.8
Supply Level B	75.6	72.3	66.2	65.3	67.6

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 3

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 =75.6%)				
	Number of Additional Rooms Supportable	24	25	26	27
	Cumulative Total	24	49	75	102
2.	At Economic Occupancy Level ** (65.0%)				
	Number of Additional Rooms Supportable	141	29	31	31
	Cumulative Total	141	170	201	232
3.	Proposed New Rooms (Supply Level B)	57	98	42	-
	Cumulative Total	57	155	197	197

* Represents the occupancy level of the zone in 1976.

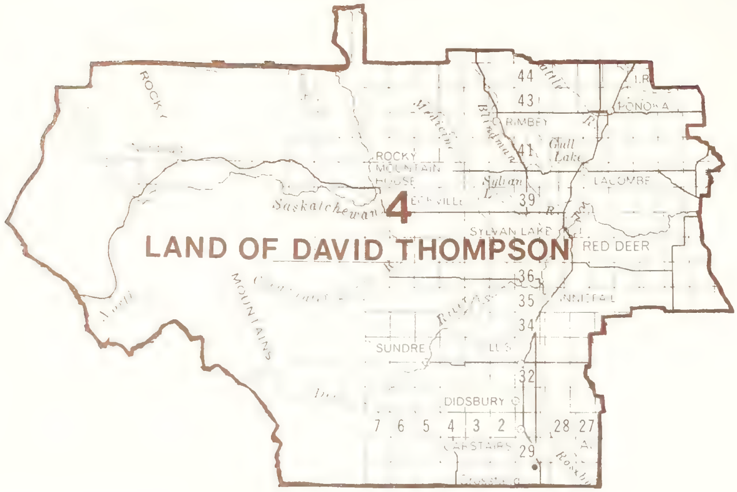
** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 3

CONCLUSION

The Big Country Zone was assessed as having low potential for further accommodation development. Although the market occupancy was high in 1976, the market was characterized by a high proportion of work crew demand. Such demand can be transitory and also results in a very low average room rate. The range of additional rooms supportable in the long term is 102-232 and 197 are proposed, thus confirming the low potential assessment. There does seem to be considerable future potential for tourism (i.e. Badlands) which could supplant declining demands from work crews. A need for upgrading almost all existing establishments in the zone (in particular, Drumheller) was also felt to be required.

Development Potential: Low



2.4 ZONE 4 LAND OF DAVID THOMPSON

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 83 establishments , over 40% each of which are motels and hotels with less than 50 units, with a total of 1,947 rooms available
- major concentrations of accommodation establishments in Red Deer and Rocky Mountain House
- five new establishments built between 1972-1976. On a net basis, 374 rooms added to the zone's plant. Represents a 23.8% increase in available rooms since 1972 and a compound growth rate in available room nights of 5.5%
- average length of ownership of 7.6 years
- average of one ownership change per establishment between January 1972 and December 1976
- average room rate of $13.44 in 1976
- average annual occupancy of 75.5% in 1976
- sources of room demand are 65.3% industrial-commercial, 19.4% tourism, 2.3% group meetings-conventions, 3.2% government and 9.7% other

POSITIVE FACTORS

- above average 1976 annual occupancy (+6.6 points)
- above average 1976 summer season occupancy (+4.8)
- below average low to high season range in occupancies (-1.0)
- growth above the provincial average in 5 of 9 principal economic/demographic indicators between 1971-1976
- medium dollar value of proposed industrial projects (Census 8 = $11-$100 million)
- excellent recreational/tourism development potential in Eastern Slopes area (i.e. surrounding, lakes)
- good availability of significant attractions (i.e. Rocky Mountain House National Historic Park, wilderness areas, hunting/fishing activities, etc.)

NEGATIVE FACTORS

- below average occupancy rate growth, 1974 to 1976 (-3.3 points)
- high proportion of work crew demand to total room demand
- above average projected supply growth (+3.1)
- below average growth in accommodation supply (1972-1976)
- upgrading of Highway 11 required between Highway 2 (Red Deer) and Rocky Mountain House

ZONE 4

ACCOMMODATION SUPPLY/DEMAND MODEL

(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	701,928	701,928	748,831	864,582	933,430
Added	-	46,903	115,751	68,848	-
Subtracted	-	-	-	-	-
Total	701,928	748,831	864,582	933,430	933,430
Supply Level B **					
Available	701,928	701,928	744,141	827,663	868,972
Added	-	46,903	92,802	45,899	-
Subtracted	-	4,690	9,280	4,590	-
Total	701,928	744,141	827,663	868,972	868,972
Demand					
Occupied	529,956	529,956	553,104	577,264	602,479
Growth @ 4.368 %	-	23,148	24,160	25,215	26,316
Total	529,956	553,104	577,264	602,479	628,795
Overall Potential Occupancies (%)					
Supply Level A	75.5	73.9	66.8	64.5	67.4
Supply Level B	75.5	74.3	69.7	69.3	72.4

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 4

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 =75.5%)				
	Number of Additional Rooms Supportable	84	88	91	96
	Cumulative Total	84	172	263	359
2.	At Economic Occupancy Level ** (68.0 %)				
	Number of Additional Rooms Supportable	305	98	101	106
	Cumulative Total	305	403	504	610
3.	Proposed New Rooms (Supply Level B)	116	229	113	-
	Cumulative Total	116	345	458	458

* Represents the occupancy level of the zone in 1976.

** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 4

CONCLUSION

The Land of David Thompson Zone was assessed as having low potential for future accommodation development. Red Deer, the principal urban area within the zone, continues to experience rapid industrial growth, however current accommodation developments are keeping pace with the subsequent increase in demand. Due to increasing resource exploration activity, a full service motor hotel seems to be required in Rocky Mountain House. Additional seasonal units and camping facilities are also required in Rocky Mountain House, Sylvan Lake and other resort communities, along with substantial upgrading of existing facilities.

Development Potential: Low - Medium

2.5 ZONE 5 BATTLE RIVER

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 92 establishments, over 60% of which are hotels with less than 50 units, with a total of 1,738 rooms available
- major concentrations of accommodation establishments in Camrose, Wainwright and Stettler
- seven new establishments built between 1972-1976. On a net basis, 262 rooms added to the zone's plant. Represents a 17.8% increase in available rooms since 1972 and a compound growth rate in available room nights of 4.2%
- average length of ownership of 4.5 years
- average of 1.1 ownership changes per establishment between January 1972 and December 1976
- average room rate of $10.43 in 1976
- average annual occupancy of 66.3% in 1976
- sources of room demand are 87% industrial-commercial, 8.8% tourism, 1.7% government and 2.5% other.

POSITIVE FACTORS

- above average occupancy rate growth, 1974 to 1976 (+3.3 points)
- below average projected supply growth (-1.1)
- growth above the provincial average in 8 of 9 principal economic/demographic indicators between 1971-1976
- medium dollar value of proposed industrial projects (Census 7, 10 and 11 = $251-$500 million)
- good availability of significant attractions (i.e. Alberta Game Farm, Elk Island National Park, Ukrainian Cultural Heritage Village, hunting/fishing activities, etc.)
- recent upgrading of secondary highways in area

NEGATIVE FACTORS

- below average 1976 annual occupancy (-2.6 points)
- below average 1976 summer season occupancy (-3.9)
- above average low to high season range in occupancies (+6.4)
- below average growth in accommodation supply (1972-1976)
- high proportion of work crew demand to total room demand

ZONE 5
ACCOMMODATION SUPPLY/DEMAND MODEL
(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	634,370	634,370	672,330	715,218	720,146
Added	-	37,960	46,173	8,213	-
Subtracted	-	-	3,285	3,285	-
Total	634,370	672,330	715,218	720,146	720,146
Supply Level B **					
Available	634,370	634,370	668,534	704,340	705,982
Added	-	37,960	43,435	5,475	-
Subtracted	-	3,796	7,629	3,833	-
Total	634,370	668,534	704,340	705,982	705,982
Demand					
Occupied	420,587	420,587	439,905	460,110	481,243
Growth @ 4.593 %	-	19,318	20,205	21,133	22,103
Total	420,587	439,905	460,110	481,243	503,346
Overall Potential Occupancies (%)					
Supply Level A	66.3	65.4	64.3	66.8	69.9
Supply Level B	66.3	65.8	65.3	68.2	71.3

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 5

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 =66.3%)				
	Number of Additional Rooms Supportable	80	83	87	91
	Cumulative Total	80	163	250	341
2.	At Economic Occupancy Level ** (65.0%)				
	Number of Additional Rooms Supportable	116	85	89	94
	Cumulative Total	116	201	290	384
3.	Proposed New Rooms (Supply Level B)	94	98	4	-
	Cumulative Total	94	192	196	196

* Represents the occupancy level of the zone in 1976.

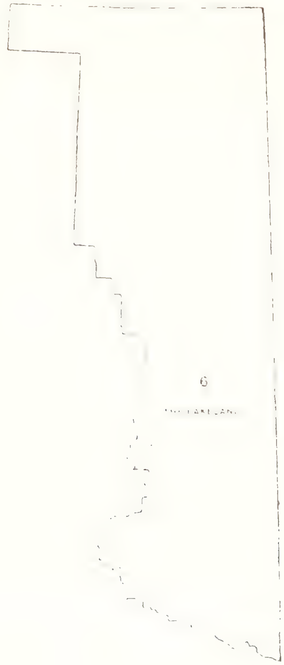
** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 5

CONCLUSION

The Battle River Zone was assessed as having low-to-medium accommodation development potential. In the near term, planned developments will satisfy the additional need but in the longer term, additional rooms will be required in the form of full service motor hotels in Fort Saskatchewan and Wainwright. The accommodation business in the zone has been characterized by small establishments, a lower than average occupancy pattern and a low average room rate. However, this picture has begun to change as resource exploration and development have intensified in the area and industrial developments are being planned.

Development Potential: Medium - High



2.6 ZONE 6 LAKELAND

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 99 establishments, over 45% each of which are motels and hotels with less than 50 units, with a total of 2,069 rooms available
- major concentrations of accommodation establishments in Fort McMurray and Lloydminster
- thirteen new establishments built between 1972-1976. On a net basis, 586 rooms added to the zone's plant. Represents a 39.5% increase in available rooms since 1972 and a compound growth rate in available room nights of 8.7%
- average length of ownership of 5.1 years
- average of 0.7 ownership changes per establishment between January 1972 and December 1976
- average room rate of $14.50 in 1976
- average annual occupancy of 63.8% in 1976
- sources of room demand are 73.5% industrial-commercial, 7.9% tourism, 2.6% group meetings-conventions, 8.9% government and 7.2% other.

POSITIVE FACTORS

- below average low to high season range in occupancies (-14.7 points)
- above average occupancy rate growth, 1974 to 1976 (+12.6)
- above average growth in accommodation supply (1972-1976)
- below average projected supply growth (-1.1)
- growth above the provincial average in 5 of 9 principal economic/demographic indicators between 1971-1976
- high dollar value of proposed industrial projects (Census 12 = $3 billion)
- excellent recreational/tourism development potential near major lakes and provincial parks
- excellent availability of significant attractions (i.e. six trophy lakes, Alberta Air Show, Wood Buffalo National Park, Barr Colony Museum, hunting/fishing activities, seven provincial parks, etc.)

NEGATIVE FACTORS

- below average 1976 annual occupancy (-5.1 points)
- below average 1976 summer season occupancy (-12.7)
- high proportion of work crew demand to total room demand
- poor accessibility to northern parts of zone

ZONE 6

ACCOMMODATION SUPPLY/DEMAND MODEL

(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	752,813	752,813	787,488	838,862	855,561
Added	-	34,675	51,374	16,699	-
Subtracted	-	-	-	-	-
Total	752,813	787,488	838,862	855,561	855,561
Supply Level B **					
Available	752,813	752,813	780,553	817,199	826,105
Added	-	34,675	45,808	11,133	-
Subtracted	-	6,935	9,162	2,227	-
Total	752,813	780,553	817,199	826,105	826,105
Demand					
Occupied	480,295	480,295	505,184	531,363	558,898
Growth @5.182 %	-	24,889	26,179	27,535	28,962
Total	480,295	505,184	531,363	558,898	587,860
Overall Potential Occupancies (%)					
Supply Level A	63.8	64.2	63.3	65.3	68.7
Supply Level B	63.8	64.7	65.0	67.7	71.2

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 6

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

	1977	1978	1979	1980
1. At Market Occupancy Level * (1976 =63.8%)				
Number of Additional Rooms Supportable	107	112	118	124
Cumulative Total	107	219	337	461
2. At Economic Occupancy Level ** (68.0%)				
Number of Additional Rooms Supportable	(28)	106	111	116
Cumulative Total	(28)	78	189	305
3. Proposed New Rooms (Supply Level B)	76	100	24	-
Cumulative Total	76	176	200	200

* Represents the occupancy level of the zone in 1976.

** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 6

CONCLUSION

The Lakeland Zone was assessed as having medium-to-high potential for accommodation development. This zone has become the centre of the most intensive resource and industrial development in the province, encompassing both the tar sands development at Fort McMurray and the heavy oil deposits at Lloydminster and Cold Lake. Opportunities exist in Lloydminster, Vegreville, St. Paul and Fort McMurray, with the latter also requiring meeting and conference facilities. Upgrading and expansion of camping facilities is required in the Lake La Biche area.

Development Potential: High

2.7 ZONE 7 EVERGREEN

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 62 establishments, over 55% of which are motels with less than 50 units, with a total of 1,249 rooms available
- major concentrations of accommodation establishments in Hinton, Edson and Drayton Valley
- seven new establishments built between 1972-1976. On a net basis, 270 rooms added to the zone's plant. Represents a 27.6% increase in available rooms since 1972 and a compound growth rate in available room nights of 6.3%
- average length of ownership of 5.1 years
- average of 0.9 ownership changes per establishment between January 1972 and December 1976
- average room rate of $14.14 in 1976
- average annual occupancy of 68.9% in 1976
- sources of room demand are 74.1% industrial-commercial, 18.8% tourism, 5.3% government and 1.9% other

POSITIVE FACTORS

- average 1976 annual occupancy equal to provincial average of 68.9%
- below average low to high season range in occupancies (-6.7 points)
- above average occupancy rate growth, 1974 to 1976 (+1.1)
- average projected supply growth equal to provincial average
- high dollar value of proposed industrial projects (Census 11 & 14: $501-$1 billion)
- excellent recreational/tourism development potential in Grande Cache area and southwest of Drayton Valley
- good availability of significant attractions (i.e. Forest Trunk Road, wilderness areas, skiing activities, etc.)
- proposed transportation developments (i.e. upgrading of Hinton-Jasper airport, extension of Highway 40 between Muskeg Creek and Grande Prairie, improvements to Highway 57 between Yellowhead Highway junction to Drayton Valley)

NEGATIVE FACTORS

- below average 1976 summer season occupancy (-5.4 points)
- growth below the provincial average in 5 of 9 principal economic/demographic indicators between 1971-1976
- below average growth accommodation supply (1972-1976)
- high proportion of work crew demand to total room demand

ZONE 7
ACCOMMODATION SUPPLY/DEMAND MODEL
(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	455,155	455,155	478,880	520,399	538,193
Added	-	23,725	41,519	17,794	-
Subtracted	-	-	-	-	-
Total	455,155	478,880	520,399	538,193	538,193
Supply Level B **					
Available	455,155	455,155	475,321	505,577	515,661
Added	-	23,725	35,588	11,863	-
Subtracted	-	3,559	5,338	1,779	-
Total	455,155	475,321	505,571	515,661	515,661
Demand					
Occupied	313,602	313,602	328,031	343,124	358,911
Growth @ 4.601 %	-	14,429	15,093	15,787	16,513
Total	313,602	328,031	343,124	358,911	375,424
Overall Potential Occupancies (%)					
Supply Level A	68.9	68.5	65.9	66.7	69.8
Supply Level B	68.9	69.0	67.9	69.6	72.8

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 7

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

	1977	1978	1979	1980
1. At Market Occupancy Level * (1976 = 68.9%)				
Number of Additional Rooms Supportable	57	60	63	66
Cumulative Total	57	117	180	246
2. At Economic Occupancy Level ** (65.0%)				
Number of Additional Rooms Supportable	136	63	67	69
Cumulative Total	136	199	266	335
3. Proposed New Rooms (Supply Level B)	55	83	28	-
Cumulative Total	55	138	166	166

* Represents the occupancy level of the zone in 1976.

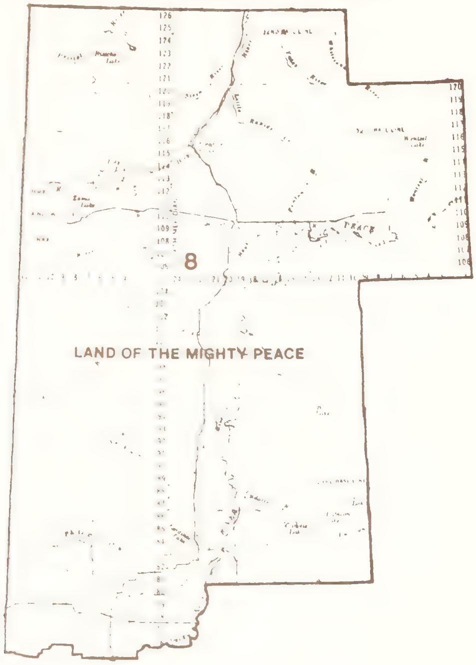
** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 7

CONCLUSION

The Evergreen Zone was assessed as having high potential for accommodation development. This zone has acquired more importance due to its coal deposits (i.e. Coal Valley) and further activity in oil exploration. Unlike other zones where resource-based development has spurred extensive accommodation development, construction of new units has been lagging in this zone as witnessed by a supportable range of new rooms of 246-335 with only 166 planned. The principal areas of opportunity are Edson and Hinton, both of which require additional motor-hotel and motel facilities. The planned inauguration of scheduled air service between Edmonton and Hinton should be a further stimulus. In addition, more camping facilities appear warranted in Drayton Valley and the Edson area. Upgrading of roadside motel accommodations and intown hotels located on the Yellowhead Highway should be encouraged.

Development Potential: Medium



2.8 ZONE 8 LAND OF THE MIGHTY PEACE

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 36 establishments in 1976, over 50% of which are motels with less than 50 units, with a total of 771 rooms available
- major concentrations of accommodation establishments in Peace River and surrounding areas
- three new establishments built between 1972-1976. On a net basis, 132 rooms added to zone's plant. Represents a 20.7% increase in available rooms since 1972 and a compound growth rate in available room nights of 4.8%.
- average length of ownership of establishments of 6.5 years
- average of 0.8 ownership changes per establishment between January 1972 and December 1976
- average room rate of $11.90 in 1976
- average annual occupancy of 64.0% in 1976
- sources of room demand are 81.8% industrial-commercial, 7.5% tourism, 7.3% government and 3.4% other

POSITIVE FACTORS

- above average occupancy growth rate, 1974 to 1976 (+2.7 points)
- below average low to high season range in occupancies (-15.3)
- below average projected supply growth (-2.3)
- growth above the provincial average in 6 of 9 principal economic/demographic indicators between 1971-76
- medium dollar value of proposed industrial projects (Census 15 = $11-$100 million)
- good recreational/tourism development potential in Peace River Valley area (i.e. Fort Dunvegan)

NEGATIVE FACTORS

- below average 1976 annual occupancy (-4.9 points)
- below average 1976 summer season occupancy (-18.4)
- below average growth in accommodation supply (1972-76)
- high proportion of work crew demand to total room demand
- poor accessibility to northern part of zone
- few significant attractions

ZONE 8
ACCOMMODATION SUPPLY/DEMAND MODEL
(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	281,415	281,415	287,438	298,936	304,411
Added	-	6,023	11,498	5,475	-
Subtracted	-	-	-	-	-
Total	281,415	287,438	298,936	304,411	304,411
Supply Level B **					
Available	281,415	281,415	286,836	295,542	298,827
Added	-	6,023	9,673	3,650	-
Subtracted	-	602	967	365	-
Total	281,415	286,836	295,542	298,827	298,827
Demand					
Occupied	180,106	180,106	186,725	193,587	200,701
Growth @ 3.675 %	-	6,619	6,862	7,114	7,376
Total	180,106	186,725	193,587	200,701	208,077
Overall Potential Occupancies (%)					
Supply Level A	64.0	65.0	64.8	65.9	68.4
Supply Level B	64.0	65.1	65.5	67.2	69.6

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 8

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 =64.0%)				
	Number of Additional Rooms Supportable	28	29	31	32
	Cumulative Total	28	57	88	120
2.	At Economic Occupancy Level ** (65.0%)				
	Number of Additional Rooms Supportable	16	29	30	31
	Cumulative Total	16	45	75	106
3.	Proposed New Rooms (Supply Level B)	15	24	9	-
	Cumulative Total	15	39	48	48

* Represents the occupancy level of the zone in 1976.

** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 8

CONCLUSION

The Land of the Mighty Peace Zone was assessed as having medium accommodation development potential. The potential has been isolated in the towns of Peace River and Fairview where resource-based exploration and developments are expected to provide a steady increase in demand for motel and perhaps motor hotel accommodation. The long term range of supportable rooms was calculated at 106-120 while 48 are planned. Some potential exists for upgrading of existing accommodations but no additional camping facilities appear to be warranted.

Development Potential: Low - Medium

2.9 ZONE 9 JASPER NATIONAL PARK

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 24 establishments in 1976, over 35% of which are cabin/bungalows less than 50 units, with a total of 1,556 rooms available
- major concentration of accommodation establishments in Town of Jasper
- no new establishments built between 1972-1976. On a net basis 22 rooms added to zone's plant. Represents a 1.4% increase in available rooms since 1972 and a compound growth rate in available room nights of 0.5%
- average length of ownership of establishments of 14.0 years
- average of 0.6 ownership changes per establishment between January 1972 and December 1976
- average room rate of $32.65 in 1976
- average annual occupancy of 66.7% in 1976
- sources of room demand are 4.4% industrial-commercial, 78% tourism, 13.8% group meetings-conventions and 3.8% government.

POSITIVE FACTORS

- above average 1976 summer season occupancy (+13.7 points)
- below average projected supply growth (-0.9)
- low proportion of work crew demand to total room demand
- major tourism destination area
- excellent availability of significant attractions (i.e. sightseeing, recreational/skiing activities, Jasper Sky Tram, Maligne Lake cruise, Columbia Icefield snowmobile tours, etc.)
- upgrading of Hinton-Jasper airport

NEGATIVE FACTORS

- below average 1976 annual occupancy (-2.2 points)
- above average low to high season range in occupancies (+26.5)
- below average occupancy growth rate, 1974 to 1976 (-4.9)
- below average growth in accommodation supply (1972-76)
- growth below the provincial average in 5 of 9 principal economic/demographic indicators between 1971-76
- low dollar value of proposed industrial projects (Census 9: = $1 million)
- Parks Canada restrictions on accommodation development

ZONE 9
ACCOMMODATION SUPPLY/DEMAND MODEL
(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	441,466	441,466	464,096	495,669	504,612
Added	-	22,630	36,318	13,688	-
Subtracted	-	-	4,745	4,745	-
Total	441,466	464,096	495,669	504,612	504,612
Supply Level B **					
Available	441,466	441,466	462,964	488,386	492,310
Added	-	22,630	31,755	9,125	-
Subtracted	-	1,132	6,333	5,201	-
Total	441,466	462,964	488,386	492,310	492,310
Demand					
Occupied	294,458	294,458	304,811	315,528	326,622
Growth @ 3.516%	-	10,353	10,717	11,094	11,484
Total	294,458	304,811	315,528	326,622	338,106
Overall Potential Occupancies (%)					
Supply Level A	66.7	65.7	63.7	64.7	67.0
Supply Level B	66.7	65.8	64.6	66.3	68.7

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 9

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 = 66.7%)				
	Number of Additional Rooms Supportable	43	44	46	47
	Cumulative Total	43	87	133	180
2.	At Economic Occupancy Level ** (65.0%)				
	Number of Additional Rooms Supportable	76	45	47	48
	Cumulative Total	76	121	168	216
3.	Proposed New Rooms (Supply Level B)	59	70	11	-
	Cumulative Total	59	129	140	140

* Represents the occupancy level of the zone in 1976.

** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 9

CONCLUSION

Jasper National Park was assessed as having low-to-medium potential for accommodation development. In the near term, developments already planned meet the upper level of the range of new rooms supportable but in the longer term, 140 are planned and the range supportable, 180-216 units. Presently, the area has a lower than average occupancy rate with few prospects for increasing it due to the predominantly tourist-oriented demand with its attendant seasonality problems. Low cost family-style accommodation seems to be required in the area to satisfy budget-conscious holidayers.

Development Potential: Low

2.10 ZONE 10 CALGARY & DISTRICT

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 110 establishments in 1976, over 40% of which are motels less than 100 units, with a total of 6,627 rooms available
- major concentrations of accommodation establishments in City of Calgary and Canmore
- 13 new establishments built between 1972-1976; On a net basis, 1,903 rooms added to zone's plant. Represents a 40.3% increase in available rooms since 1972 and a compound growth rate in available room nights of 8.7%
- average length of ownership of establishments of 9.6 years
- average of 0.6 ownership changes per establishment between January 1972 and December 1976
- average room rate of $23.47 in 1976
- average annual occupancy of 66.2% in 1976
- sources of room demand are 60% industrial commercial, 24.4% tourism, 8.2% group meetings-conventions, 2.5% government and 5% other

POSITIVE FACTORS

- above average growth in accommodation supply (1972-76)
- below average projected supply growth (-0.2 points)
- growth above the provincial average in 5 of 9 principal economic/demographic indicators between 1971-76
- low proportion of work crew demand to total room demand
- medium dollar value of proposed industrial projects (Census 6, 1 and 9: $101-$250 million)
- major tourism destination area (additional tourism demand acquired due to proximity to Banff National Park)
- excellent recreational/tourism development potential in Canmore Corridor, including Spray Lakes and Kananaskis Valley
- new Calgary airport terminal
- excellent availability of significant attractions/events (Heritage Park, Calgary Stampede, close to Rocky Mountain recreational areas, etc.)

NEGATIVE FACTORS

- below average 1976 annual occupancy (-2.7 points)
- below average 1976 summer season occupancy (-5.4)
- below average occupancy growth rate, 1974 to 1976 (-5.3)
- above average low to high season range in occupancies (+0.6)

ZONE 10

ACCOMMODATION SUPPLY/DEMAND MODEL

(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	2,409,202	2,409,202	2,575,642	2,783,692	2,825,302
Added	-	166,440	214,620	48,180	-
Subtracted	-	-	6,570	6,570	-
Total	2,409,202	2,575,642	2,783,692	2,825,302	2,825,302
Supply Level B **					
Available	2,409,202	2,409,202	2,558,998	2,731,132	2,753,470
Added	-	166,440	198,560	32,120	-
Subtracted	-	16,644	26,426	9,782	-
Total	2,409,202	2,558,998	2,731,132	2,753,470	2,753,470
Demand					
Occupied	1,594,892	1,594,892	1,666,128	1,740,546	1,818,287
Growth @4.4665%	-	71,236	74,418	77,741	81,214
Total	1,594,892	1,666,128	1,740,546	1,818,287	1,899,501
Overall Potential Occupancies (%)					
Supply Level A	66.2	64.7	62.5	64.4	67.2
Supply Level B	66.2	65.1	63.7	66.0	69.0

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 10

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 = 66.2%)				
	Number of Additional Rooms Supportable	295	308	322	336
	Cumulative Total	295	603	925	1,261
2.	At Economic Occupancy Level ** (68%)				
	Number of Additional Rooms Supportable	112	300	313	327
	Cumulative Total	112	412	725	1,052
3.	Proposed New Rooms (Supply Level B)	410	472	61	-
	Cumulative Total	410	882	943	943

* Represents the occupancy level of the zone in 1976.

** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 10

CONCLUSION

The Calgary & District zone was assessed as having low potential for accommodation development. Although the economy of the area has been extremely healthy, the accommodation plant has expanded by 40.3% in terms of available rooms since 1972. In addition, the market occupancy rate in 1976 was below levels considered economic. In the long term, 943 rooms are planned while the supportable range was calculated at 1,052-1,261. However, the lower end of the range has been based on the low market occupancy level indicating that the planned rooms will satisfy demand at an economic level. One factor which could affect development potential in the western portion of this zone is the extent to which Parks Canada will allow further development in Banff and Lake Louise. If development is not allowed in the park itself, it will most likely happen just outside the park in Canmore which is located in this zone.

Development Potential: Medium

2.11 ZONE 11 CITY OF EDMONTON

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 91 establishments in 1976, over 35% each of which are motels and hotels less than 200 units, with a total of 6,185 rooms available
- major concentration of accommodation establishments in City of Edmonton
- 17 new establishments built between 1972-76; On a net basis 1,896 rooms added to zone's plant. Represents a 44.2% increase in available rooms since 1972 and a compound growth rate in available room nights of 9.6%
- average length of ownership of establishments of 10.0 years
- average of 0.6 ownership changes per establishment between January 1972 and December 1976
- average room rate of $20.47 in 1976
- average annual occupancy of 70.0% in 1976
- sources of room demand are 70.3% industrial-commercial, 12.2% tourism, 7.3% group meetings-conventions, 6.7% government and 3.5% other

POSITIVE FACTORS

- above average 1976 annual occupancy (+1.1 points)
- below average low to high season range in occupancies (-5.6)
- above average occupancy growth rate, 1974 to 1976 (+1.4)
- above average growth in accommodation supply (1972-76)
- low proportion fo work crew demand to total room demand
- medium dollar value of proposed industrial projects (Census II: $11-$100 million)
- major tourism destination area (additional tourism demand acquired due to proximity to Jasper National Park and main routes to Yukon/ Alaska)
- excellent availability of significant attractions/events (i.e., Provincial Legislature, Fort Edmonton Park, Ukrainian Arts Museum, Klondike Days, etc.)
- good transportation accessibility

NEGATIVE FACTORS

- below average 1976 summer season occupancy (-3.4 points)
- above average projected supply growth (+0.9)
- growth below the provincial average in 7 of 9 principal economic/demographic indicators between 1971-76

ZONE II
ACCOMMODATION SUPPLY/DEMAND MODEL
(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	2,257,525	2,257,525	2,402,978	2,620,290	2,724,999
Added	-	145,453	217,312	104,709	36,500
Subtracted	-	-	-	-	-
Total	2,257,525	2,402,978	2,620,290	2,724,999	2,761,499
Supply Level B **					
Available	2,257,525	2,257,525	2,388,433	2,562,456	2,620,354
Added	-	145,453	193,359	64,331	18,250
Subtracted	-	14,545	19,336	6,433	1,825
Total	2,257,525	2,388,433	2,562,456	2,620,354	2,636,779
Demand					
Occupied	1,580,268	1,580,268	1,653,166	1,729,427	1,809,205
Growth @ 4.613 %	-	72,898	76,261	79,778	83,459
Total	1,580,268	1,653,166	1,729,427	1,809,205	1,892,664
Overall Potential Occupancies (%)					
Supply Level A	70.0	68.8	66.0	66.4	68.5
Supply Level B	70.0	69.2	67.5	69.0	71.8

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE II

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 =70.0%)				
	Number of Additional Rooms Supportable	285	299	312	327
	Cumulative Total	285	584	896	1,223
2.	At Economic Occupancy Level ** (70%)				
	Number of Additional Rooms Supportable	285	299	312	327
	Cumulative Total	285	584	896	1,223
3.	Proposed New Rooms (Supply Level B)	359	477	159	-
	Cumulative Total	359	836	995	995

* Represents the occupancy level of the zone in 1976.

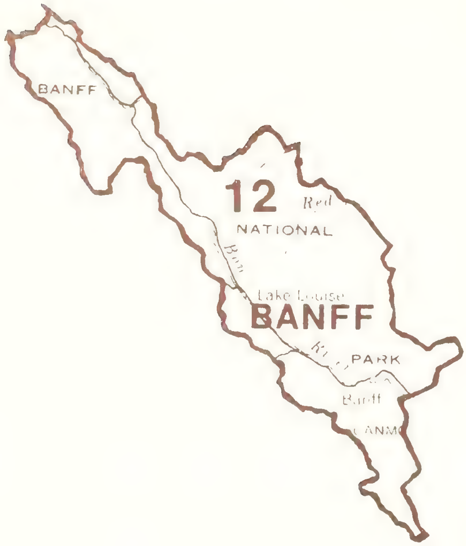
** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE II

CONCLUSION

The City of Edmonton Zone was assessed as having medium potential for accommodation development. Similar to Calgary, Edmonton's economy continues to experience dynamic growth and much development has taken place to meet the new demand and market upgrading. However, in the longer term there appears to be a gap between the proposed new rooms (995) and the economic number supportable (1,223). The additional rooms should ideally be in the form of medium-cost motor hotel facilities as both higher and lower cost markets appear to be satisfied.

Development Potential: High



2.12 ZONE 12 BANFF/LAKE LOUISE

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 50 establishments in 1976, over 50% of which are motels with less than 100 units, with a total of 3,057 rooms available
- major concentrations of accommodation establishments in Banff and Lake Louise
- seven new establishments built between 1972-1976. On a net basis, 403 rooms added to the zone's plant. Represents a 15.2% increase in available rooms since 1972 and a compound growth rate in available room nights of 4.1%
- average length of ownership of establishments of 18.6 years
- average of 0.4 ownership changes per establishment between January 1972 and December 1976
- average room rate of $27.13 in 1976
- average annual occupancy of 65.1% in 1976
- sources of room demand are 0.8% industrial-commercial, 81.6% tourism, 15.8% group meetings-conventions and 1.8% government

POSITIVE FACTORS

- above average 1976 annual occupancy (+0.5 points)
- above average 1976 summer season occupancy (+12.8)
- below average projected supply growth (-1.5)
- low proportion of work crew demand to total room demand
- major tourism destination area (Banff National Park)
- excellent availability of significant attractions (i.e. Sulphur Mountain Gondola Lift, Sunshine and Mt. Norquay ski areas, Lake Louise, resort hotels, other recreational activities, etc.)
- good transportation accessibility to Park gate (Trans-Canada)

NEGATIVE FACTORS

- above average low to high season range in occupancies (+24.5 points)
- below average growth in accommodation supply (1972-1976)
- below average occupancy rate growth, 1974-1976 (-0.1)
- growth below the provincial average in 5 of 9 principal economic/demographic indicators between 1971-1976
- low dollar value of proposed industrial projects (Census 9 = less than $1 million)
- Parks Canada restrictions on accommodation development

ZONE 12
ACCOMMODATION SUPPLY/DEMAND MODEL
(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	1,000,302	1,000,302	1,002,310	1,004,318	1,061,806
Added	-	2,008	2,008	57,488	57,488
Subtracted	-	-	-	-	-
Total	1,000,302	1,002,310	1,004,318	1,061,806	1,119,294
Supply Level B **					
Available	1,000,302	1,000,302	1,002,210	1,004,118	1,040,527
Added	-	2,008	2,008	38,325	38,325
Subtracted	-	100	100	1,916	1,916
Total	1,000,302	1,002,210	1,004,118	1,040,527	1,076,936
Demand					
Occupied	694,210	694,210	723,242	753,488	784,999
Growth @ 4.182 %	-	29,032	30,246	31,511	32,829
Total	694,210	723,242	753,488	784,999	817,828
Overall Potential Occupancies (%)					
Supply Level A	69.4	72.2	75.0	73.9	73.1
Supply Level B	69.4	72.2	75.0	75.4	75.9

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 12

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 =69.4%)				
	Number of Additional Rooms Supportable	115	119	124	130
	Cumulative Total	115	234	358	488
2.	At Economic Occupancy Level ** (65.0%)				
	Number of Additional Rooms Supportable	307	128	133	138
	Cumulative Total	307	435	568	706
3.	Proposed New Rooms (Supply Level B)	5	5	100	100
	Cumulative Total	5	10	110	210

* Represents the occupancy level of the zone in 1976.

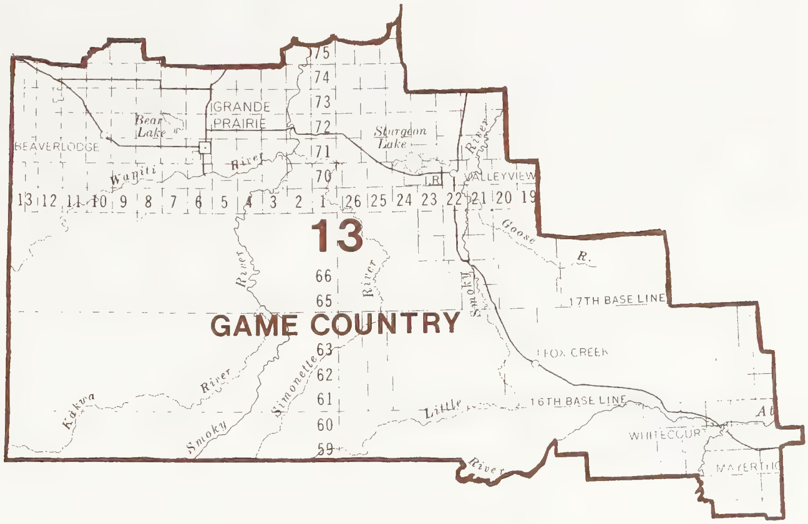
** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 12

CONCLUSION

The Banff/Lake Louise Zone was assessed as having high potential for accommodation development. Although the demand is predominantly tourist-oriented and the demand pattern fluctuates considerably, the range of facilities, attractions and proximity to Calgary all combine to produce a very satisfactory tourist area market occupancy of 69.4%. The primary requirement seems to be for low and medium priced accommodation for transient tourists and more full service accommodation in connection with existing developments catering to tour groups and skiers. Geographically, development is required urgently in the Lake Louise area and, to a lesser degree, in Banff. Overshadowing this potential is the very cautious attitude of Parks Canada toward further development-all building must be approved by them and in recent years they have turned down most applications for expansions and new properties. However, some areas of Banff have now been designated for accommodation development and current policy appears to be favourable to some further development at Lake Louise. The long term supportable range of additional rooms was calculated at 488-706 while only 210 are planned. If developments are not allowed to proceed in the park, then Canmore, just outside of the park gates, would be the next most likely centre for development. In such an event, the development prospects for the Calgary & District Zone, within which Canmore lies, would improve somewhat.

Development Potential: High



2.13 ZONE 13 GAME COUNTRY

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

. 46 establishments in 1976, over 70% of which are motels less than 50 units, with a total of 1,171 rooms available

. major concentrations of accommodation establishments in Grande Prairie and Whitecourt

. eight new establishments built between 1972-76. On a net basis, 336 rooms added to zone's plant. Represents a 40.2% increase in available rooms since 1972 and a compound growth rate in available room nights of 8.8%

. average length of ownership of establishments of 5.3 years

. average of 0.7 ownership changes per establishment between January 1972 and December 1976

. average room rate of $15.76 in 1976

. average annual occupancy of 72.1% in 1976

. sources of room demand are 77.5% industrial-commercial, 14.2% tourism, 4.6% group meetings-conventions, 2.7% government 1.1% other

POSITIVE FACTORS

- above average 1976 annual occupancy (+3.2 points)
- above average occupancy growth rate, 1974 to 1976 (+4.2)
- below average low to high season range in occupancies (-0.6)
- below average projected supply growth (-1.3)
- above average growth in accommodation supply (1972-76)
- growth above the provincial average in 6 of 9 principal economic/demographic indicators between 1971-76
- medium dollar value of proposed industrial projects (Census 15: $251-$500 million)
- good transportation accessibility
- good recreational/tourism development if proposed Grande Cache highway extended
- good availability of significant attractions (i.e. Wapiti Jet Boat Trips, wilderness areas, etc.)

NEGATIVE FACTORS

- below average 1976 summer season occupancy (-13.1 points)
- high proportion of work crew demand to total room demand

ZONE 13
ACCOMMODATION SUPPLY/DEMAND MODEL
(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	427,061	427,061	449,691	453,341	468,854
Added	-	22,630	3,650	15,513	11,863
Subtracted	-	-	-	-	-
Total	427,061	449,691	453,341	468,854	480,717
Supply Level B **					
Available	427,061	427,061	447,428	449,070	456,051
Added	-	22,630	1,825	7,757	5,932
Subtracted	-	2,263	183	776	593
Total	427,061	447,428	449,070	456,051	461,390
Demand					
Occupied	307,911	307,911	319,545	331,619	344,149
Growth @3.7785 %	-	11,634	12,074	12,530	13,004
Total	307,911	319,545	331,619	344,149	357,153
Overall Potential Occupancies (%)					
Supply Level A	72.1	71.1	73.2	73.4	74.3
Supply Level B	72.1	71.4	73.8	75.5	77.4

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 13

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 = 72.1%)				
	Number of Additional Rooms Supportable	44	46	48	49
	Cumulative Total	44	90	138	187
2.	At Economic Occupancy Level ** (68.0%)				
	Number of Additional Rooms Supportable	117	49	51	52
	Cumulative Total	117	166	217	269
3.	Proposed New Rooms (Supply Level B)	56	5	19	15
	Cumulative Total	56	61	80	95

* Represents the occupancy level of the zone in 1976.

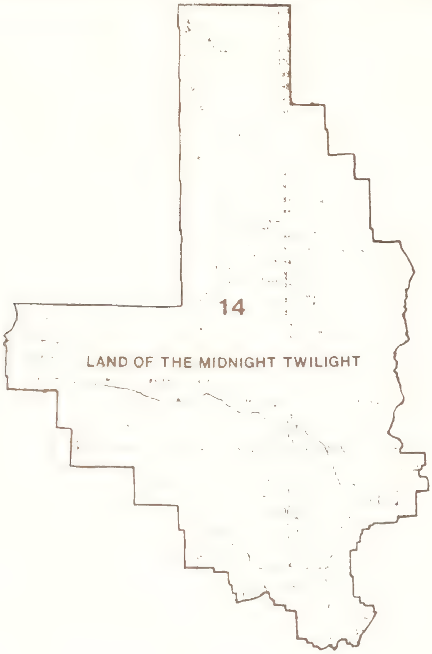
** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 13

CONCLUSION

The Game Country Zone was assessed as having high potential for accommodation development. The 1976 market occupancy level of 72.1% was considered healthy and the planned new rooms of 95 (long term) compared to the range supportable of 187-269 provides ample opportunity as does the encouraging economic outlook. Current and planned developments in the zone's principal city, Grande Prairie, will satisfy demand there but the communities of Whitecourt, Fox Creek and Sexsmith all require additional motel facilities. In addition, the community of Valleyview appears to require additional housekeeping units for transient tourists and work crews.

Development Potentail: Medium - High



2.14 ZONE 14 LAND OF THE MIDNIGHT TWILIGHT

GENERAL PROFILE OF ZONE'S ACCOMMODATION INDUSTRY

- 57 establishments in 1976, over 45% each of which are motels and hotels with under 50 units, with a total of 1,068 rooms available
- major concentrations of accommodation establishments in Barrhead, Westlock and Slave Lake
- eight new establishments built between 1972-1976. On a net basis, 283 rooms added to the zone's plant. Represents a 36.1% increase in available rooms since 1972 and a compound growth rate in available room nights of 8.1%.
- average length of establishment ownership of 4.2 years
- average of 1.1 ownership changes per establishment between January 1972 and December 1976
- average room rate of $14.71 in 1976
- average annual occupancy of 69.0% in 1976
- sources of room demand are 73.2% industrial-commercial, 12.5% tourism, 3.1% group meetings-conventions, 8.1% government and 3.1% other

POSITIVE FACTORS

- above average 1976 annual occupancy (+0.1 point)
- below average low to high season range in occupancies (-3.3)
- above average occupancy rate growth, 1974 to 1976 (+10.8)
- above average growth in accommodation supply (1972-1976)
- below average projected supply growth (-1.7)
- growth above the average in 6 of 9 principal economic/demographic indicators between 1971-1976
- medium dollar value of proposed industrial projects (Census 13 and 15: $11-$100 million)
- good recreational development prospects (major lakes)

NEGATIVE FACTORS

- below average 1976 summer season occupancy (-11.5 points)
- high proportion of work crew demand to total room demand
- few significant attractions other than recreational activities (hunting, fishing, boating, etc.)
- poor accessibility to northern part of zone

ZONE 14

ACCOMMODATION SUPPLY/DEMAND MODEL

(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	388,434	388,434	405,224	427,489	432,964
Added	-	16,790	22,265	5,475	-
Subtracted	-	-	-	-	-
Total	388,434	405,224	427,489	432,964	432,964
Supply Level B **					
Available	388,434	388,434	402,705	420,079	423,181
Added	-	16,790	20,440	3,650	-
Subtracted	-	2,519	3,066	548	-
Total	388,434	402,705	420,079	423,181	423,181
Demand					
Occupied	268,020	268,020	277,330	286,963	296,931
Growth @ 3.4735%	-	9,310	9,633	9,968	10,314
Total	268,020	277,330	286,963	296,931	307,245
Overall Potential Occupancies (%)					
Supply Level A	69.0	68.4	67.1	68.6	71.0
Supply Level B	69.0	68.9	68.3	70.2	72.6

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

ZONE 14

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 =69.0 %)				
	Number of Additional Rooms Supportable	37	38	40	41
	Cumulative Total	37	75	115	156
2.	At Economic Occupancy Level ** (68.0 %)				
	Number of Additional Rooms Supportable	53	39	40	42
	Cumulative Total	53	92	132	174
3.	Proposed New Rooms (Supply Level B)	39	48	8	-
	Cumulative Total	39	87	95	95

* Represents the occupancy level of the zone in 1976.

** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

ZONE 14

CONCLUSION

The Land of the Midnight Twilight Zone was assessed as having medium-to-high potential for accommodation development. The market occupancy level in 1976 was reasonably healthy at 69% and the local accommodation industry benefited from extensive resource exploration and development in the area. The long term range of supportable rooms was recorded at 156-174 while planned new developments will result in just 95 rooms. Principal requirements are for motel developments in Westlock, High Prairie and Morinville. Because of large work crews in the area, Westlock also requires housekeeping units.

Development Potential: Low - Medium

2.15 EASTERN SLOPES REGION

GENERAL PROFILE OF REGIONS'S ACCOMMODATION INDUSTRY

- western portions of TIAALTA zones 1, 4, 7 and 10 (part of zone 13 is included in the Eastern Slopes but no accommodation facilities were identified in this area

- 82 establishments in 1976, over 55% of which are motels less than 50 units, with a total of 1,714 rooms available

- major concentrations of accommodation establishments in Hinton, Rocky Mountain House, Canmore and Crowsnest Pass area

- six new establishments built between 1972-1976. On a net basis, 332 rooms added to the region's plant. Represents a 24% increase in available rooms since 1972 and a compound growth rate in available room nights of 6.1%

- average room rate of approximately $19.00 in 1976

- average annual occupancy of 70% in 1976

- sources of room demand are 48% industrial-commercial, 44% tourism, 4% group meetings-conventions, 3% government and 1% other

POSITIVE FACTORS

- above average 1976 annual occupancy (+1.1 points)
- above average 1976 summer season occupancy (+1.8)
- above average occupancy rate growth, 1974 to 1976 (+6.9)
- average low to high season range in occupancies equal to provincial average
- low proportion of work crew demand to total room demand
- medium dollar value of proposed projects (Census 9: $101-$250 million)
- excellent recreational/tourism development, primarily in Grande Cache, Abraham Lake, Canmore/-Kananaskis and Crowsnest Pass areas
- excellent availability of attractions (i.e. sightseeing, hunting/fishing and other recreational endeavours, etc.)

NEGATIVE FACTORS

- growth below the provincial average in 5 of 9 principal economic/demographic indicators between 1971-1976
- above average projected supply growth (+0.6 points)
- poor transportation accessibility (upgrading of existing roads required)
- below average growth in accommodation supply (1972-76)

EASTERN SLOPES REGION
ACCOMMODATION SUPPLY/DEMAND MODEL
(ROOM NIGHTS)

	1976	1977	1978	1979	1980
Supply Level A*					
Available	615,957	615,957	657,202	721,716	744,985
Added	-	41,245	64,514	23,269	-
Subtracted	-	-	-	-	-
Total	615,957	657,202	721,716	744,985	744,985
Supply Level B **					
Available	615,957	615,957	651,015	699,259	712,445
Added	-	41,245	56,758	15,513	-
Subtracted	-	6,187	8,514	2,327	-
Total	615,957	651,015	699,259	712,445	712,445
Demand					
Occupied	431,170	431,170	447,554	464,561	482,214
Growth @3.8 %	-	16,384	17,007	17,653	18,324
Total	431,170	447,554	464,561	482,214	500,538
Overall Potential Occupancies (%)					
Supply Level A	70.0	68.1	64.4	64.7	67.2
Supply Level B	70.0	68.7	66.4	67.7	70.3

* Pessimistic Basis - assumed 100% and 75% of new construction proposed for 1977 and 1978-1980 respectively would take place.

** Optimistic Basis - assumed 100% and 50% of new construction proposed for 1977 and 1978-1980 respectively would take place.

EASTERN SLOPES REGION

NUMBER OF ADDITIONAL ROOMS SUPPORTABLE AT MARKET AND ECONOMIC OCCUPANCY LEVELS (1977-1980) AND NUMBER OF PROPOSED ROOMS

		1977	1978	1979	1980
1.	At Market Occupancy Level * (1976 =70.0%)				
	Number of Additional Rooms Supportable	64	67	69	72
	Cumulative Total	64	131	200	272
2.	At Economic Occupancy Level ** (65 .0%)				
	Number of Additional Rooms Supportable	198	72	75	77
	Cumulative Total	198	270	345	422
3.	Proposed New Rooms (Supply Level B)	96	132	36	-
	Cumulative Total	96	228	264	264

* Represents the occupancy level of the zone in 1976.

** Represents the assumed occupancy level that will provide an economic base of operations in all the establishments in the zone.

EASTERN SLOPES

CONCLUSION

The Eastern Slopes Region was assessed as having low-to-medium accommodation development potential. Perhaps the greatest influence on development in this special region will be the amount of development allowed to take place in Banff and Jasper National Parks - demand for accommodation facilities continues to grow in these parks and if developments are not allowed to proceed within them, then the abutting Eastern Slopes region will be the next most likely iocation. Much of the slopes area themselves have considerable recreational development potential which, if developed, would in turn create additional demand for accommodation and campground development. Based upon the current situation and economic projections, the range of additional suppportable rooms was calculated at 272-422 while 264 are planned. Principal requirements are for motor hotel establishments in Hinton and Rocky Mountain House and motels and condominium developments in the Crowsnest Pass area and Canmore.

3. ACCOMMODATION PROJECT EVALUATION GUIDELINES

A thorough investigation of an accommodation project to determine its viability and resultant economic impact on a given area should encompass ten main procedural steps. These steps have been prepared in a checklist showing the various questions that must be answered and where information pertinent to them can be collected. This checklist should be used in conjunction with the Canadian Government Office of Tourism's The Inn Business. The following steps or guidelines are:

3.1 Step 1: Orientation (client interview)

. What is the name of the developer or development company?

- if formed, type of business organization
- organization capable of managing project or will it be contracted out? If so, to whom?

. What is the exact location and site of the development?

- area, nearest town, exact site
- proximity to existing transportation network
- proximity to any major tourist attractions

. What is the nature of the development concept?

- facilities, attractions to be offered
- size/extent of these facilities
- expected period of operation (number of days)
- expected style of operation

. What is the expected timetable for the project's development?

- planned opening date
- phased project

. Is the development an extension of an existing business?

- if yes, nature of current business
- current business successful (Dun & Bradstreet, Banks)
- proposed project to benefit current business

. Does the developer own the land? (if required, interview current owners)

- if no, prospects of obtaining land
- land acquisition or lease costs

. Has the developer any preliminary plans or drawings?

- general location or site plans
- preliminary architectural drawings of facilities (possibly interview architect)

. Are there any legal impediments envisaged?

- within official plan for community (Depts. of Municipal Affairs and Natural Resources)
- contravene any local zoning bylaws (municipal/county or regional planning commissions)
- liquor licence approval, if premises to include beverage facilities (ALCB)
- approval for construction

. What markets does the developer hope to attract or create?

- tourist, industrial/commercial, conventions/meetings, other, local demand (proportions)
- means in attracting these markets

. Has the developer any preliminary estimates of what the project will cost?

- land acquisition or lease costs
- site infrastructure
- buildings and other installations
- furnishings and equipment

. How does the developer propose to finance the project?

- amount of equity, mortgages, loans

. Has the developer approached any other sources of financing?

- if yes, who?

. What success has he had in these approaches?

- successful or flatly refused (why?)

. Have any professional studies been already carried out on the project? (interviews with others who have carried out studies)

- engineering, aerial reconnaissance, environmental or social impact studies
- market or economic feasibility studies
- if so, by whom?

* Orientation Summary

- Does the project appear to be well conceived?
- Has the project been well researched?
- Has the developer a sound management background for this type of project?
- Does the developer's organization structure appear sound?
- Does the developer know the local area well and what is his knowledge of present and potential markets?
- Does the developer seem to be innovative and have sufficient drive to successfully undertake the project?
- Are there any legal impediments which could obstruct this development?
- Does the project have sufficient merit to proceed with further analysis?

3.2 <u>Step 2: Site Selection Criteria and Analysis</u> (site inspection)

. What is the exact location of the site?

- quadrant of highway

- Is the site easily accessible? (Alberta Transportation)

  - by road, air, rail or water

- How visible is the site from traffic routes?

  - distance from various directions

- Are utilities presently available and is the site suitable to provide adequate water and sewage disposal? (local engineer, AGT and health authority interviews)

  - telephone cost
  - municipal water (alternate sources and capacity)
  - municipal sanitary and storm sewers
  - private sewage disposal system (if not, cost to service)
  - electrical servicing available

- Is the site being used for any purpose now?

  - agricultural, industrial/commercial, forestry and extraction industries (local/regional planning office)

- What is the nature of the site's topography? (geological maps)

  - regularity or irregularity of land
  - vegetation coverage
  - soil conditions and drainage

- What is the present zoning status of the land? (local Building Department interview)

  - appropriately zoned for proposed project (local by laws)
  - if required, rezoning deemed possible

- What kinds of developments are there on adjacent lands? (Industrial Commissioner/Chamber of Commerce interviews)

  - neighbouring land uses lend to or detract from proposed development (local industrial list)

- What developments are proposed for adjacent lands? (local Building, Planning or Industrial Development Departments)

    - complement or detract from proposed development (construction reports)

- What height restrictions, sign ordinances and other bylaws are there that could affect the proposed project's design? (local Planning Department and Alberta Transportation)

    - height restrictions affecting initial concept (local bylaws)
    - sign ordinances affecting advertising plans (local bylaws)

- Is the site large enough for the proposed development? (ALCB, Fire Department)

    - parking (zoning bylaw)
    - rooms and seating requirements

- Is there sufficient land available to allow for future expansion of the project?

    - percentage of coverage of project to total land holding
    - expansion physically possible

- Are there any proposed transportation systems changes that could affect the project? (local Planning Department and Alberta Transportation)

    - planned transportation developments (when?)
    - affect project positively or negatively

- Are there any easements on the site? Has the developer given these due consideration in his site plan? (local Planning Department)

    - pipelines, transmissions towers, hydro lines, road allowances, railway
    - width of easements
    - alterations or developments permitted on or adjacent to easements

* Site Analysis Summary[1]

  - Is the site suitable and appropriate for the development?
  - Will access be simple or will it pose a major problem?
  - Is visibility a problem or not?
  - Will the land require re-zoning?
  - Are the weather conditions appropriate for the project?
  - Are there any objectionable developments, existing or planned, that could affect the project?
  - Could proposed transportation changes present a major problem?
  - Do local bylaws dictate design changes in the project?
  - Are site services readily available or will these have to be provided for by the developer?
  - Having evaluated site, does the project warrant further analysis or is the site unsuitable for the development?

1 For excellent overview of site selection criteria for tourism development, see IUOTO/WTO D.22 Check list of Factors Determining the Selection of Sites for Tourism Development.

3.3 Step 3: Economic and Demographic Analysis

. What is the population of the local area? (local municipal/regional office or Chamber of Commerce)

  - growth in last 10 years (Financial Post Survey of Markets, Alberta Annual Statistical Review)
  - population forecast/projected growth rate

. What is the average income in the local area?

  - income per capita and recent growth (FP Survey of Markets)

. What is the age distribution of the local area?

  - percentage/volume by age group (provincial demographic statistics by major cities and census divisions)

. What is the local distribution of labour in various industrial categories? (Alberta Bureau of Statistics, local Manpower Canada office)

- percentage/volume by industrial classifications
- number of skilled and unskilled workers

. What building activity has taken place in the last five years? (local Building Department)

    - building permit values for various types of development (Alberta Annual Statistical Review)

. What industries are there in the local area? (local Industrial Development Department, Chamber of Commerce, Alberta Department of Business Development and Tourism industrial surveys)

    - industrial listing
    - top ten employers
    - local industries
    - branch plants of national/international firms

. What is the local rate of unemployment? (local municipal/regional office, Alberta Bureau of Statistics)

    - percentage of working population
    - reasons behind higher than national average unemployment figures

. What industries have located or closed in the local area in the last ten years? (local/regional industrial development office)

    - trend in industrial development
    - healthy/unhealthy
    - any plans for further industrial/commercial development (investment, expected timing, etc.)

. What is the availability of labour specifically for the proposed project? (local/regional Planning Department, local Manpower Canada office)

    - sufficient pool of labour available
    - special training required
    - labour to be "imported"

- What has been the level of growth in retail (accommodation/foodservice) sales? (Alberta Bureau of Statistics , local retailers)

  - growth trend in total value over last 5 years
  - growth in sales of equipment to specialty markets, e.g. skis, boats, snowmobiles, etc.

- What government activity is there in the local area?

  - provincial and federal offices (government directories)
  - Departments represented and number employed

* Economic and Demographic Analysis Summary[1]

  - Has the local economy demonstrated reasonable rates of growth in the past?
  - What is the current condition of the local economy?
  - What are the growth prospects for the local economy?
  - Would the proposed project provide a needed stimulus to the local economy?
  - Will the project experience difficulties in obtaining sufficient amounts of skilled and unskilled labour?
  - Is the local economic base well diversified?
  - Are demographic trends positive and how do they compare to the national averages?

1 The analysis of data collected during this step is of greatest importance when the project has been conceived to attract a large proportion of its business from locally generated sources. It is of lesser importance when the majority of business is expected to be from outside the local area (excluding business travel to local firms, which is defined as being locally generated). In all projects, it is important to evaluate the local economy and population to have a basis on which to assess the possible economic and social impact of the proposed development.

3.4 Step 4: Area Accommodation Capacity

- What competitive facilities are there in the market area? (Alberta Accommodation Guide Book, interviews with local lodging operators, Chamber of Commerce, Travel Association/Convention Bureau)

- number of operations
- breakdown between premium, standard, and economy
- operations seasonal or year-round
- number of rooms
- capacities of restaurants, lounges and banquet/meeting facilities
- season/off-season rates

. Which of these facilities do you consider to be the proposed project's primary and secondary competitors?

  - facility comparison (quantity/quality)

. What non-accommodation property food and beverage facilities are there in the area? Are these competitive?

  - number of local restaurants and seating capacities

. Are there any similar operations under construction or planned? (local or regional building permits office, Daily Construction News, trade magazines, local newspapers, Alberta Department of Business Development and Tourism)

  - name of project and location
  - number of rooms and other facilities
  - primary or secondary competitor
  - premium, standard or economy
  - seasonal or year-round
  - expected seasonal/off-season rates
  - expected completion date

. What has been the performance of competitive facilities? (various occupancy trends publications, interviews with owners/managers of competitive properties)

  - occupancy rates (annual, seasonal/off-season)
  - weekly pattern of occupancy
  - average room rates
  - seat turnovers in restaurants and average checks
  - number of meetings/banquets per month on average
  - usage of recreational facilities

What are the current sources of demand at competitive properties? (interviews with owners of competitive establishments)

- percentage breakdown between industrial/commercial demand, tourist demand, meetings/convention demand and other demand
- vary between peak season and off-season

. What has the trend been in area occupancies over the last three years? (trends publications and lodging operator interviews)

- annual occupancy percentages and appropriate growth rate

* Area Accommodation Capacity Summary

- Is the proposed project entering a very competitive market with a large number of well established competitors?
- Will the project be the first of its kind in the area?
- Will its uniqueness allow it to attract patronage away from existing competitors?
- Has the performance of the area's competitive supply shown steady growth, moderate growth, no growth or negative growth in occupancies?
- To what would this growth or decline be attributed to?
- Are the competitive properties marginal operations financially?
- If so, would the proposed project have a serious adverse effect on their viability?
- Having answered the above, can the proposed project be justified on the nature and performance of the current supply in the area?

3.5 Step 5: Demand Analysis

. Utilizing information from the analysis of area accommodation capacity, what would be the estimated demand for competitive facilities?

- number of occupied room nights for primary and secondary competitors
- breakdown of occupied room nights between season and off-season

. What has the demand growth rate been in the last three years?

- compound growth rate in demand for primary and secondary competitors

- What is the current composition of demand for primary and secondary competitors?

  - percentage breakdown between various sources of demand for primary and secondary competitors

- How do local industries view the proposed project and what portions of their rooms and food and beverage business would they expect to send there? (interviews with 10 largest industrial/commercial employers in the area)

  - views of local industry executives on development concept
  - properties they patronize now (why?)
  - room requirements on the average per month
  - usage levels of proposed project (why?)
  - portion of demand to be sent to proposed project
  - usage of other facilities in proposed project
  - number of meetings/seminars outside of plants (where, how many per year, average size of meeting?)
  - ways that development concept could be improved so that it would appeal more to them

- What is the nature of area tourist traffic and what have been the recent trends? (local travel associations, interviews with competitive facilities, Travel Alberta tourist statistics)

  - estimate number of tourists to the area (season/off-season)
  - area strictly a summer tourist area or a multi-seasonal tourist area
  - if summer only, potential for tourism development in the off-season
  - proportion of tourists requiring overnight accommodation in area (normally for fixed accommodation or campgrounds)

- What is the estimated percentage breakdown of origins of visitors to the area? (local travel association and Travel Alberta)

  - according to city, TIAALTA zone and province

- What share of the local tourist market will the proposed project capture?

  - pro rata share of demand from tourists for this type of project (i.e. based on project's proportionate share of competitive supply)
  - capture better than its pro rata share (why?)

. What is the forecast rate of growth in the number of tourists to the area? (local travel association or Travel Alberta)

- percentage growth per annum for next three years

. What conventions/meeting business is there in the area? (interviews with competitive properties, local industries, Chamber of Commerce, travel/-convention bureaus)

- number of conventions and meetings held in last 2 or 3 years
- total number and growth in attendees
- timing of conventions and meetings
- estimates of room demand (occupied room nights) from these
- estimate growth rate in demand

. What demand, if any, is there from government/military or other (work crews, permanent guests, etc.) sources? (competitive property interviews, interviews at government offices, military camps, etc.)

- estimate of occupied room nights from these sources
- growth in demand from these sources

* Demand Analysis Summary

- What composite demand growth rate should be used in projecting demand?
- Using the composite growth rate and applying it to current demand, what will demand be for the next five years?
- Using information on other proposed projects, what will supply be for the next five years?
- What are the average occupancies/usage levels forecast to be for competitive facilties for the next five years?
- What occupancy rates/usage levels are forecast for the proposed project for the next five years based on the previous analysis?
- Are these occupancies/usage levels sufficiently high to make the proposed project a feasible proposition?, e.g. if it is a year-round facility will it achieve a 70% occupancy figure by the fourth or fifth year?
- When should the proposed project open?
- What effect will the proposed project have on occupancies at competitive facilities? Is this significant or insignificant?
- Will the viability of any competitors be rendered in serious jeopardy if this project goes ahead?

- Does the project reflect the market demands or should the concept be altered? If so, in what way should it be modified?
- Is the philosophy and style of operation appropriate for the markets targeted?

3.6 Step 6: Concept and Design Review

* Concept and Design Summary

- Do the space allocations appear adequate? (review site plans and architectural drawings)
- Are the facilities laid out in a logical manner?
- Does the design incorporate sufficient considerations for efficiency and productivity?
- Is the exterior appearance of building(s) appealing?
- Does the interior design give the property the right type of atmosphere for the clientele who are expected to use it?
- Is the architecture and other equipment complementary to the local surroundings?

3.7 Step 7: Marketing Plan

. In what ways should the proposed project be marketed?

- geographical markets
- types of advertising and promotion
- market segments targeted, e.g. industrial/commercial, tourist, meetings/convention, other, local, etc.

. What facilities and services should be offered?

- rooms, food and beverage and meeting facilities
- swimming pool and other recreational facilities
- parking

. What highway and road signing is required? (Alberta Transportation)

- location of highway signs
- availability of sites
- sign ordinances

. How can local tourist attractions and events be used to help sell the proposed project?

- use of local attractions/events in promotional literature or in creating vacation packages

. What rate structures and prices should be used/charged by the proposed project?

- American Plan, Modified American Plan, European Plan or combinations
- daily or weekly rates or both
- season and off-season rates
- per person rates or per room
- rates for different types of rooms
- special rates for travel agents or tour operators
- other discounted rates
- menu prices

. What use should be made of referral groups and local trade associations?

- membership in referral group system
- membership in local travel association
- membership in Chamber of Commerce
- membership in AHA, MAA, and other trade associations

. What use should be made of the travel trade?

- travel agencies, tour companies and airlines
- commissions to be paid to each of these

. What special promotions could be offered to develop business?

- packaged vacations
- special off-peak season rates
- luncheon/dinner specials

* Marketing Plan Summary

- On the basis of the above, does the developer's marketing plan appear sound and ensure that the project will be successful?

- Should the developer be advised to modify his marketing plan, if warranted?
- Does the developer require specialized assistance in formulating his marketing plan, e.g. from an ad agency, interior design consultant, architect or other specialists?
- Should further analysis be proceeded with or should the client change his marketing plan first?

3.8 Step 8: Financial Analysis

- What occupancies are forecast for the first five years of operation?

    - annual occupancy percentages

- What average room rates are forecast for the first five years of operation?

    - average rate per occupied room

- What rooms revenue can the project expect for the first five years of operation?

- What food and beverage revenue can the project expect for the first five years of operation?

- What levels and type of staff are required for these expected levels of business?

- What telephone and other revenue can the project expect for the first five years of operation?

- What departmental expenses and operating overhead costs can the project expect to incur for the first five years of operation based on these revenues? (industry average statistics in various trend publications)

    - rooms, food and beverage, telephone and other miscellaneous expenses
    - administrative and general, repairs and maintenance, advertising and promotion, heat, light and power expenses

. What are the gross operating profits for the first five years of operation?

- excess of total revenue over departmental expenses and operating overhead

. How do these compare to industry averages?

- GOP levels significantly above or below industry averages

* Financial Analysis Summary

- Based on the gross operating profit levels forecast for the first five years of operation, are they sufficient to proceed with the analysis of the economic feasibility of the project?

3.9 Step 9: Economic Feasibility

. What will the proposed project cost, bearing in mind any adjustments recommended? (local Building Department or local contractors, equipment supply house, property assessors, etc.)

- cost of building per sq. ft.
- total square footage of building required
- total building cost
- cost of servicing site with water, electricity, sewerage, access roads
- cost of site preparation and landscaping
- cost of paving
- cost of furniture, fixtures and equipment
- architectural and legal fees
- general contractor's development fee
- cost of preliminary studies
- land rental and property taxes during construction
- pre-opening expenses
- working capital
- reserve for contingencies

. How will the proposed project be financed? (client interview)

- amount of equity
- sources of loans
- rates and periods of loans
- method of repayment of loans

- What capital expenses will the project incur? (local insurance agent, land owner, property assessor)

  - fire insurance, land rental, property taxes and interest

- How much should be allowed for depreciation? (federal depreciation rates)

  - buildings
  - furniture, fixtures and equipment

- What income taxes will the operation incur for the first five years of operation? (tax rate of developer's company or organization)

- What is the net profit on the operation for the first five years of operation? (development of cash flow statement)

- What other cash expenses will the property incur?

  - principal repayments (on loans)
  - asset replacement costs

- What cash flow will the project achieve for the first five years of operation?

  - net profit and depreciation (principal and asset replacement)

- What rate of return will the project achieve? (discounted cash flow method - internal rate of return)

- What is the payback period?

- Does this meet the investor's requirements?

* Economic Feasibility Summary

  - Is the project economically feasible?

3.10 Step 10: Economic Impact Analysis

. Is the proposed project within the framework of a regional or provincial development plan?

. What economic impact will the construction of the proposed project have on the local area?

- proportion of construction cost that will remain in the local area (i.e. use of local contractors, subtrades, local materials, etc.)

. What level of employment will the project's construction phase generate?

- full-time and part-time jobs
- local labour mainly used

. How many jobs will the project create when operational?

- year-round, full-time jobs
- seasonal jobs
- part-time jobs

. Will the proposed project absorb some of the area's unemployed persons?

. Will the proposed project create further developments, e.g. support industries?

. Will the proposed project largely use local suppliers for its operating inventory?

* Economic Impact Analysis Summary

- Will the project have a major impact on the local economy?
- Will this impact be beneficial or detrimental?
- Overall will the project increase the attractiveness of the area for visitors?
- Will the proposed project increase the quality of available facilities in the area? To what extent?
- What will the overall effect be on competitive properties/facilities?

APPENDICES

APPENDIX I

ALBERTA ACCOMMODATION INDUSTRY

STATISTICAL TABLES

Before the various statistical tables on the Alberta accommodation industry are presented, the number of accommodation establishments interviewed by community follows:

Number of Accommodation Establishments
Interviewed in Alberta by Community

TIAALTA Zone	Community	Number of Establishments	
1	Lethbridge	6	
	Waterton Lakes	5	
	Claresholm	4	
	Cardston	3	
	Fort Macleod	2	
	Pincher Creek	2	
	Okotoks	1	
	Coaldale	1	
	Taber	1	(25)
2	Medicine Hat	4	
	Brooks	4	
	Bassano	1	(9)
3	Drumheller	4	
	Strathmore	2	
	Hanna	1	
	Delia	1	
	Three Hills	1	(9)
4	Red Deer	5	
	Rocky Mountain House	4	
	Sylvan Lake	2	
	Ponoka	2	
	Innisfail	2	

TIAALTA Zone	Community	Number of Establishments	
	Nordegg	1	
	Pine Lake	1	
	Olds	1	
	Lacombe	1	
	Eckville	1	
	Bowden	1	
	Rimbey	1	(22)
5	Camrose	2	
	Stettler	2	
	Wainwright	2	
	Castor	2	
	Veteran	1	
	Consort	1	
	Lougheed	1	
	Irma	1	
	Kinsella	1	
	Forestburg	1	
	Coronation	1	
	Ferintosh	1	
	Fort Saskatchewan	1	
	Devon	1	
	Breton	1	(19)
6	Lloydminster	3	
	Bonnyville	2	
	Grand Centre	2	
	Fort McMurray	2	
	Vegreville	2	
	Vermilion	2	
	Ardmore	1	
	Ashmont	1	
	Smoky Lake	1	
	Waskatenau	1	
	St. Paul	1	
	Two Hills	1	
	Derwent	1	
	Mannville	1	
	Bruderheim	1	(22)
7	Hinton	5	
	Edson	3	
	Drayton Valley	2	
	Spruce Grove	2	
	Sangudo	1	
	Wildwood	1	
	Grande Cache	1	(15)

TIAALTA Zone	Community	Number of Establishments	
8	Peace River	2	
	Fairview	2	
	Wanham	1	
	Grimshaw	1	
	Rycroft	1	
	Spirit River	1	(8)
9	Jasper & Surrounding Area	8	(8)
10	Calgary Suburban Area	17	
	Calgary Downtown	8	
	Canmore	7	
	Crossfield	1	(33)
11	Edmonton Suburban Area	13	
	Edmonton Downtown	8	(21)
12	Banff	10	
	Lake Louise & Surrounding Area	4	(14)
13	Grande Prairie	5	
	Valleyview	2	
	Fox Creek	2	
	Whitecourt	1	
	Little Smoky	1	
	Sexsmith	1	(12)
14	Westlock	3	
	Barrhead	2	
	Morinville	2	
	High Prairie	2	
	Canyon Creek	1	
	Fahler	1	
	Slave Lake	1	
	St. Albert	1	(13)
TOTAL ESTABLISHMENTS INTERVIEWED			230

Key Definitions Pertinent to Statistical Tables

Approved Accommodation Establishments

- a term used in this study to designate those accommodation properties that have been inspected and approved by the Alberta Department of Business Development and Tourism (Travel Alberta).

This voluntary inspection program provides persons travelling in Alberta with an appraisal of the accommodation facilities available and an indicator of those which meet basic standards according to cleanliness, comfort and construction.

Non-Approved Accommodation Establishments

- a term used in this study to designate those accommodation properties that may have been inspected for basic standards of cleanliness, comfort and construction and found lacking, or refused to participate and consequently were not approved by the Alberta Department of Business Development and Tourism (Travel Alberta).

TABLE 32

ALBERTA ACCOMMODATION INDUSTRY

APPROVED ESTABLISHMENT TOTAL

1976 : 643 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	174	74	136	70	76	113									
TIAALTA ZONE [b]	74	39	29	58	49	45	41	20	23	76	74	47	36	32	
CENSUS DIVISION [c]	28	37	26	10	21	74	25	45	106	26	98	31	21	30	65
CATEGORY [d]	187	326	85	7	38										
SIZE RANGE [e]	37	261	188	90	55	10	2								
LOCATION [f]	440	203													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 33

ALBERTA ACCOMMODATION INDUSTRY

NON-APPROVED ESTABLISHMENT TOTAL* *

1976 : 307 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	126	17	83	4	34	43									
TIAALTA ZONE [b]	28	15	15	25	43	54	21	16	1	34	17	3	10	25	
CENSUS DIVISION [c]	9	16	7	6	17	31	17	24	15	41	34	22	22	13	33
CATEGORY [d]	217	67	-	2	21										
SIZE RANGE [e]	111	137	50	8	1	-	-								
LOCATION [f]	252	55													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types (Column 3, Figure 3, pg. A - 2)

TABLE 34

ALBERTA ACCOMMODATION INDUSTRY

APPROVED ESTABLISHMENT TOTAL BY SEASONALITY OF OPERATION

1976 : 612 YEAR-ROUND ESTABLISHMENTS
31 SEASONAL ESTABLISHMENTS *

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	174 / -	74 / -	134 / 2	49 / 21	76 / -	105 / 8									
TIAALTA ZONE [b]	66 / 8	39 / -	29 / -	56 / 2	49 / -	45 / -	41 / -	20 / -	13 / 10	76 / -	74 / -	36 / 11	36 / -	32 / -	
CENSUS DIVISION [c]	28 / -	37 / -	26 / -	10 / -	21 / -	74 / -	25 / -	43 / 2	77 / 29	26 / -	98 / -	31 / -	21 / -	30 / -	65 / -
CATEGORY [d]	185 / 2	320 / 6	85 / -	3 / 4	19 / 19										
SIZE RANGE [e]	37 / -	246 / 15	177 / 11	88 / 2	53 / 2	9 / 1	2 / -								
LOCATION [f]	409 / 31	203 / -													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Establishments operating less than 10 months a year (Statistics Canada)

NB: Numbers above the diagonal lines refer to year-round establishments while those below are seasonal

TABLE 35

ALBERTA ACCOMMODATION INDUSTRY

NON-APPROVED ESTABLISHMENT TOTAL BY SEASONALITY OF OPERATION *

1976 : 294 YEAR-ROUND ESTABLISHMENTS
13 SEASONAL ESTABLISHMENTS **

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	119 / 7	17 / -	80 / 3	2 / 2	33 / 1	43 / -									
TIAALTA ZONE [b]	28 / -	15 / -	15 / -	22 / 3	43 / -	50 / 4	20 / 1	16 / -	- / 1	33 / 1	17 / -	2 / 1	9 / 1	24 / 1	
CENSUS DIVISION [c]	9 / -	16 / -	7 / -	6 / -	17 / -	31 / -	17 / -	21 / 3	12 / 3	41 / -	34 / -	18 / 4	21 / 1	12 / 1	32 / 1
CATEGORY [d]	217 / -	66 / 1	- / -	1 / 1	10 / 11										
SIZE RANGE [e]	101 / 10	136 / 1	48 / 2	8 / -	1 / -	- / -	- / -								
LOCATION [f]	239 / 13	55 / -													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

** Establishments operating less than 10 months a year (Statistics Canada)

NB: Numbers above the diagonal lines refer to year-round establishments while those below are seasonal

TABLE 36

ALBERTA ACCOMMODATION INDUSTRY

APPROVED AVAILABLE ROOM CAPACITY

1976 : 27,102 ROOMS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	4,695	5,574	3,272	4,494	5,756	3,311									
TIAALTA ZONE [b]	2,031	1,280	516	1,611	1,145	1,372	1,030	517	1,542	5,756	5,574	2,952	1,016	760	
CENSUS DIVISION [c]	960	1,368	475	169	385	5,710	598	1,357	5,282	629	6,052	1,007	421	824	1,865
CATEGORY [d]	10,342	9,398	5,834	641	887										
SIZE RANGE [e]	260	4,270	6,536	5,361	6,249	3,322	1,104								
LOCATION [f]	12,630	14,472													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 37

ALBERTA ACCOMMODATION INDUSTRY

NON-APPROVED AVAILABLE ROOM CAPACITY *

1976 : 5,153 ROOMS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	1,633	611	1,107	119	871	812									
TIAALTA ZONE [b]	596	216	178	336	593	697	219	254	14	871	611	105	155	308	
CENSUS DIVISION [c]	126	302	144	91	219	888	222	277	306	572	874	239	210	158	525
CATEGORY [d]	3,879	1,043	-	62	169										
SIZE RANGE [e]	755	2,021	1,834	463	80	-	-								
LOCATION [f]	3,397	1,756													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

TABLE 38

ALBERTA ACCOMMODATION INDUSTRY

APPROVED AVAILABLE ROOM NIGHT CAPACITY

1976 : 9,605,426 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	1,713,675	2,034,510	1,189,750	1,412,816	2,100,940	1,153,735									
TIAALTA ZONE [b]	686,535	467,200	188,340	583,485	417,925	500,780	375,950	188,705	439,982	2,100,940	2,034,510	972,834	370,840	277,400	
CENSUS DIVISION [c]	350,400	499,320	173,375	61,685	140,525	2,084,150	218,270	490,775	1,645,656	229,585	2,208,980	367,555	153,665	300,760	680,725
CATEGORY [d]	3,730,251	3,395,714	2,129,410	132,440	217,611										
SIZE RANGE [e]	94,900	1,509,057	2,301,939	1,935,512	2,227,783	1,133,275	402,960								
LOCATION [f]	4,323,146	5,282,280													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 39

ALBERTA ACCOMMODATION INDUSTRY

NON-APPROVED AVAILABLE ROOM NIGHT CAPACITY *

1976 : 1,847,670 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	591,203	223,015	399,858	28,952	308,262	296,380									
TIAALTA ZONE [b]	217,540	78,840	64,970	118,443	216,445	252,033	79,205	92,710	1,484	308,262	223,015	27,468	56,221	111,034	
CENSUS DIVISION [c]	45,990	110,230	52,560	33,215	79,935	324,120	81,030	96,908	87,554	208,780	319,010	84,863	75,264	56,940	191,271
CATEGORY [d]	1,415,835	380,341	-	12,977	38,517										
SIZE RANGE [e]	266,536	734,039	648,900	168,995	29,200	-	-								
LOCATION [f]	1,206,730	640,940													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

TABLE 40

ALBERTA ACCOMMODATION INDUSTRY

APPROVED AVAILABLE ROOM NIGHT CAPACITY

WINTER SEASON * : 3,117,020 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	568,940	675,457	394,077	408,527	697,512	372,507									
TIAALTA ZONE [b]	217,397	155,110	62,529	192,797	138,751	166,259	124,815	62,650	108,214	697,512	675,457	300,313	123,119	92,097	
CENSUS DIVISION [c]	116,333	165,774	57,561	20,479	46,654	691,938	72,466	162,018	475,297	76,221	733,381	122,028	51,017	99,852	226,001
CATEGORY [d]	1,229,052	1,119,097	706,964	15,737	46,170										
SIZE RANGE [e]	31,507	488,598	744,771	637,043	734,213	347,105	133,783								
LOCATION [f]	1,363,304	1,753,716													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* December 1 - March 31 : 121 days

TABLE 41

ALBERTA ACCOMMODATION INDUSTRY

NON-APPROVED AVAILABLE ROOM NIGHT CAPACITY *

WINTER SEASON ** : 611,105 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	194,740	74,041	131,359	7,028	105,539	98,398									
TIAALTA ZONE [b]	72,224	26,174	21,570	37,929	71,860	82,887	26,054	30,780	-	105,539	74,041	7,028	18,423	36,596	
CENSUS DIVISION [c]	15,269	36,596	17,450	11,027	26,537	107,608	26,902	30,780	29,680	69,317	105,911	27,387	24,720	18,662	63,259
CATEGORY [d]	470,057	126,031	-	7,504	7,513										
SIZE RANGE [e]	85,557	243,208	216,540	56,106	9,694	-	-								
LOCATION [f]	398,313	212,792													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

** December 1 - March 31 : 121 days

TABLE 42

ALBERTA ACCOMMODATION INDUSTRY

APPROVED AVAILABLE ROOM NIGHT CAPACITY

SPRING SEASON * : 2,008,921 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	356,445	423,178	247,662	303,665	436,996	240,975									
TIAALTA ZONE [b]	143,797	97,178	39,175	121,559	86,928	104,162	78,198	39,251	102,666	436,996	423,178	200,999	77,135	57,699	
CENSUS DIVISION [c]	72,883	103,859	36,062	12,833	29,229	433,503	45,400	102,275	353,093	47,754	459,468	76,451	31,962	62,558	141,591
CATEGORY [d]	772,487	708,621	442,917	34,040	50,856										
SIZE RANGE [e]	19,739	317,104	482,764	403,895	459,854	241,749	83,816								
LOCATION [f]	910,207	1,098,714													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* April 1 - June 15 : 76 days

TABLE 43

ALBERTA ACCOMMODATION INDUSTRY

NON-APPROVED AVAILABLE ROOM NIGHT CAPACITY *

SPRING SEASON ** : 385,789 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	123,450	46,387	83,725	5,871	64,709	61,647									
TIAALTA ZONE [b]	45,248	16,399	13,514	25,190	45,021	52,735	16,571	19,284	208	64,709	46,387	5,663	11,771	23,089	
CENSUS DIVISION [c]	9,566	22,928	10,933	6,910	16,627	67,417	16,854	20,710	18,651	43,426	66,354	17,964	15,649	11,939	39,861
CATEGORY [d]	294,494	79,188	-	3,290	8,817										
SIZE RANGE [e]	56,473	152,579	135,512	35,151	6,074	-	-								
LOCATION [f]	252,473	133,316													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

** April 1 - June 15 : 76 days

TABLE 44

ALBERTA ACCOMMODATION INDUSTRY

APPROVED AVAILABLE ROOM NIGHT CAPACITY

SUMMER SEASON * : 2,492,878 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	431,847	512,697	300,959	413,388	529,437	304,550									
TIAALTA ZONE [b]	186,816	117,734	47,462	148,180	105,317	126,197	94,739	47,554	141,846	529,437	512,697	271,542	93,452	69,905	
CENSUS DIVISION [c]	88,301	125,829	43,691	15,594	35,412	525,206	55,004	124,817	485,823	57,855	556,663	92,624	38,724	75,792	171,543
CATEGORY [d]	951,266	864,433	536,612	58,971	81,596										
SIZE RANGE [e]	23,915	392,760	601,189	493,107	574,789	305,572	101,546								
LOCATION [f]	1,161,743	1,331,135													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* June 16 - September 15 : 92 days

TABLE 45

ALBERTA ACCOMMODATION INDUSTRY

NON-APPROVED AVAILABLE ROOM NIGHT CAPACITY *

SUMMER SEASON ** : 469,451 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	150,194	56,200	101,804	10,957	75,608	74,688									
TIAALTA ZONE [b]	54,820	19,868	16,372	30,889	54,543	64,102	20,140	23,363	1,276	75,608	56,200	9,681	14,256	28,333	
CENSUS DIVISION [c]	11,589	27,778	13,245	8,370	20,144	81,678	20,420	25,462	23,651	52,613	80,391	21,972	19,319	14,530	48,289
CATEGORY [d]	356,790	95,934	-	1,196	15,531										
SIZE RANGE [e]	69,418	185,881	164,207	42,587	7,358	-	-								
LOCATION [f]	307,934	161,517													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

** June 16 - September 15 : 92 days

TABLE 46

ALBERTA ACCOMMODATION INDUSTRY

APPROVED AVAILABLE ROOM NIGHT CAPACITY

FALL SEASON * : 1,986,607 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	356,443	423,178	247,052	287,236	436,995	235,703									
TIAALTA ZONE [b]	138,525	97,178	39,174	120,949	86,929	104,162	78,198	39,250	87,256	436,995	423,178	199,980	77,134	57,669	
CENSUS DIVISION [c]	72,883	103,858	36,061	12,830	29,230	433,513	45,400	101,655	331,393	47,754	459,468	76,452	31,962	62,558	141,590
CATEGORY [d]	777,445	703,564	442,917	23,692	38,989										
SIZE RANGE [e]	19,739	310,597	473,213	401,467	458,927	238,849	83,815								
LOCATION [f]	887,895	1,098,712													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* September 16 - November 30 : 76 days

TABLE 47

ALBERTA ACCOMMODATION INDUSTRY

NON-APPROVED AVAILABLE ROOM NIGHT CAPACITY *

FALL SEASON ** : 381,325 ROOM NIGHTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	122,819	46,387	82,970	5,096	62,406	61,647									
TIAALTA ZONE [b]	45,248	16,399	13,514	24,435	45,021	52,309	16,440	19,283	-	62,406	46,387	5,096	11,771	23,016	
CENSUS DIVISION [c]	9,566	22,928	10,932	6,909	16,627	67,417	16,854	19,955	15,572	43,426	66,354	17,538	15,576	11,809	39,862
CATEGORY [d]	294,494	79,188	-	987	6,656										
SIZE RANGE [e]	55,088	152,371	132,641	35,151	6,074	-	-								
LOCATION [f]	248,009	133,316													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes other fixed accommodation types

** September 16 - November 30 : 76 days

TABLE 48

ALBERTA ACCOMMODATION INDUSTRY

APPROVED GUEST CAPACITY

1976 : 74,097 GUESTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	13,264	14,961	8,585	13,147	15,088	9,052									
TIAALTA ZONE [b]	5,394	3,658	1,328	4,410	2,847	3,721	2,944	1,370	4,730	15,088	14,961	8,417	3,140	2,089	
CENSUS DIVISION [c]	2,802	3,319	1,416	456	1,016	14,802	1,435	3,785	15,493	1,729	16,150	2,689	1,047	2,463	5,495
CATEGORY [d]	23,490	28,905	16,709	1,367	3,626										
SIZE RANGE [e]	799	12,392	18,463	16,141	16,580	7,472	2,250								
LOCATION [f]	35,514	38,583													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 49

ALBERTA ACCOMMODATION INDUSTRY

NON-APPROVED GUEST CAPACITY *

1976: 12,388 GUESTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	3,862	1,369	2,578	333	2,275	1,971									
TIAALTA ZONE [b]	1,437	534	400	842	1,336	1,616	535	621	60	2,275	1,369	273	370	720	
CENSUS DIVISION [c]	315	746	352	200	506	2,272	523	690	828	1,250	1,948	608	481	404	1,265
CATEGORY [d]	8,784	2,951	-	178	475										
SIZE RANGE [e]	1,940	4,919	4,284	1,035	210	-	-								
LOCATION [f]	8,224	4,164													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

* Excludes number of guests accommodated in other fixed accommodation types

TABLE 50

ALBERTA ACCOMMODATION INDUSTRY

NUMBER OF APPROVED ESTABLISHMENTS WITH NO FOODSERVICE

1976: 328 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	90	29	64	31	42	72									
TIAALTA ZONE [b]	46	26	15	26	23	22	21	10	7	42	29	24	24	13	
CENSUS DIVISION [c]	20	18	22	5	12	33	12	20	57	17	37	12	10	19	34
CATEGORY [d]	26	276	-	-	26										
SIZE RANGE [e]	27	173	90	31	7	-	-								
LOCATION [f]	236	92													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 51

ALBERTA ACCOMMODATION INDUSTRY

NUMBER OF APPROVED ESTABLISHMENTS WITH UNLICENSED FOODSERVICE

1976: 119 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	36	4	45	9	4	21									
TIAALTA ZONE [b]	14	7	11	20	14	10	8	6	3	4	4	6	3	9	
CENSUS DIVISION [c]	4	8	3	3	8	9	8	15	14	4	10	9	5	4	15
CATEGORY [d]	90	19	-	3	7										
SIZE RANGE [e]	9	66	35	6	3	-	-								
LOCATION [f]	104	15													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 52

ALBERTA ACCOMMODATION INDUSTRY

NUMBER OF APPROVED ESTABLISHMENTS WITH LICENSED FOODSERVICE

1976: 196 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	48	41	27	30	30	20									
TIAALTA ZONE [b]	14	6	3	12	12	13	12	4	13	30	41	17	9	10	
CENSUS DIVISION [c]	4	11	1	2	1	32	5	10	35	6	48	10	6	8	17
CATEGORY [d]	71	31	85	4	5										
SIZE RANGE [e]	1	22	63	53	45	10	2								
LOCATION [f]	100	96													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 53

ALBERTA ACCOMMODATION INDUSTRY

NUMBER OF APPROVED ESTABLISHMENTS WITH NO BEVERAGE SERVICE

1976: 334 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	94	39	62	40	30	69									
TIAALTA ZONE [b]	44	25	10	29	23	25	20	10	10	39	30	30	26	13	
CENSUS DIVISION [c]	20	15	21	3	9	28	13	23	69	16	38	15	10	19	35
CATEGORY [d]	3	295	-	3	33										
SIZE RANGE [e]	22	179	92	33	8										
LOCATION [f]	242	92													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 54

ALBERTA ACCOMMODATION INDUSTRY

NUMBER OF APPROVED ESTABLISHMENTS WITH LICENSED DINING ROOM/RESTAURANT

1976: 184 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	45	41	23	30	27	18									
TIAALTA ZONE [b]	12	6	2	9	12	13	12	3	13	27	41	17	9	8	
CENSUS DIVISION [c]	4	10	-	2	-	28	5	7	35	6	49	10	4	8	16
CATEGORY [d]	64	30	81	3	6										
SIZE RANGE [e]	1	21	57	52	41	10	2								
LOCATION [f]	96	88													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 55

ALBERTA ACCOMMODATION INDUSTRY

NUMBER OF APPROVED ESTABLISHMENTS WITH LICENSED COCKTAIL/ENTERTAINMENT LOUNGE

1976: 137 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	28	35	16	14	29	15									
TIAALTA ZONE [b]	9	6	1	8	7	5	8	2	5	29	35	9	5	8	
CENSUS DIVISION [c]	4	8	1	-	1	29	1	8	16	3	42	4	4	5	11
CATEGORY [d]	49	9	76	3	-										
SIZE RANGE [e]	-	5	38	44	39	9	2								
LOCATION [f]	52	85													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 56

ALBERTA ACCOMMODATION INDUSTRY

NUMBER OF APPROVED ESTABLISHMENTS WITH LICENSED TAVERN

1976: 237 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	69	34	65	5	25	39									
TIAALTA ZONE [b]	28	11	17	25	23	19	15	9	2	25	34	3	8	18	
CENSUS DIVISION [c]	7	20	5	5	12	33	10	21	9	8	48	16	10	7	26
CATEGORY [d]	169		67	1	-										
SIZE RANGE [e]	14	73	78	40	28	4	-								
LOCATION [f]	154	83													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 57

ALBERTA ACCOMMODATION INDUSTRY

ALBERTA HOTEL ASSOCIATION MEMBERSHIP

FEBRUARY 1977: 470 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	154	50	137	13	43	73									
TIAALTA ZONE [b]	50	23	31	41	65	57	29	20	6	43	50	7	14	34	
CENSUS DIVISION [c]	14	28	11	11	28	54	26	36	22	47	79	26	28	15	45
CATEGORY [d]	388	3	78	1	-										
SIZE RANGE [e]	74	179	111	53	41	10	2								
LOCATION [f]	347	123													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 58
ALBERTA ACCOMMODATION INDUSTRY
MOTEL ASSOCIATION OF ALBERTA MEMBERSHIP
1976: 303 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	101	32	57	26	28	59									
TIAALTA ZONE [b]	34	25	9	26	22	25	23	11	16	28	32	10	26	16	
CENSUS DIVISION [c]	20	12	17	6	4	31	13	21	38	13	36	17	10	26	39
CATEGORY [d]	1	275	11	1	15										
SIZE RANGE [e]	17	154	80	38	14										
LOCATION [f]	207	96													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 59

ALBERTA ACCOMMODATION INDUSTRY

CANADIAN AND AMERICAN AUTOMOBILE ASSOCIATION MEMBERSHIP

1976: 129 ESTABLISHMENTS

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	9	10	3	47	31	29									
TIAALTA ZONE [b]	25	4	-	3	-	3	4	-	16	31	10	31	1	1	-
CENSUS DIVISION [c]	4	7	8	-	-	29	-	3	60	2	11	1	1	2	1
CATEGORY [d]	18	75	23	2	11										
SIZE RANGE [e]	1	29	33	36	24	4	2								
LOCATION [f]	75	53													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 60

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE NUMBER OF EMPLOYEES PER ESTABLISHMENT*

1976: MINIMUM - 27 EMPLOYEES

MAXIMUM - 39 EMPLOYEES

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	14 / 18	66 / 85	8 / 11	48 / 95	57 / 80	13 / 18									
TIAALTA ZONE [b]	12 / 17	17 / 22	5 / 7	8 / 11	9 / 11	12 / 16	13 / 16	7 / 10	43 / 94	57 / 80	66 / 85	51 / 96	16 / 20	19 / 27	
CENSUS DIVISION [c]	29 / 38	15 / 22	3 / 5	10 / 15	4 / 6	67 / 93	7 / 10	8 / 12	34 / 65	12 / 16	50 / 65	13 / 17	10 / 13	8 / 11	16 / 20
CATEGORY [d]	45 / 61	5 / 8	59 / 93	I/S / I/S	4 / 8										
SIZE RANGE [e]	4 / 6	6 / 9	17 / 24	31 / 48	63 / 89	258 / 378	423 / 600								
LOCATION [f]	14 / 24	54 / 72													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

* Figures above the diagonal lines are minimum average number of employees, while those below are maximum.

TABLE 61
PROVINCIAL ALBERTA ACCOMMODATION INDUSTRY
ESTABLISHMENT TOTAL AND MINIMA/MAXIMA AVERAGE
NUMBER OF EMPLOYEES PER ESTABLISHMENT BY
CATEGORY AND SIZE RANGE
1976

Category / Size Range	1-9	10-24	25-49	50-75	76-199	200 +	Total Establishments By Category
Hotel	75	178	95	27	20	9	404
	5 / 8	11 / 15	22 / 31	33 / 38	67 / 84	321^e / 384^e	
Motel	51	188	107	37	10	-	393
	2 / 2	3 / 5	5 / 8	10 / 17	14 / 26	- / -	
Motor Hotel	-	6	23	30	24	2	85
	- / -	25 / 32	65 / 101	50 / 81	98 / 153	225^e / 250^e	
Lodge	-	5	2	-	2	1	10
	- / -	4^e / 5^e	8 / 10	- / -	45 / 60	250 / 550	
Cabin/Bungalow	22	21	11	4	-	-	58
	2 / 4	3 / 6	8 / 14	10^e / 15^e	- / -	- / -	
Total Establishments By Size Range	148	398	238	98	56	12	950

e : PKF&A estimates

TABLE 62

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE ANNUAL OCCUPANCY

1975: 67.5% (162 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	64.6	67.6	68.8	64.4	69.8	70.8									
TIAALTA ZONE [b]	68.0	77.9	68.1	73.4	63.1	61.0	65.3	62.2	63.9	69.8	67.6	64.7	69.1	65.3	
CENSUS DIVISION [c]	74.8	69.7	64.9	72.1	68.1	70.0	69.2	74.8	65.1	61.0	65.8	65.0	57.3	73.8	66.2
CATEGORY [d]	66.2	68.8	69.1	73.5	62.4										
SIZE RANGE [e]	57.1	67.7	67.3	67.8	66.2	65.6	I/S								
LOCATION [f]	65.4	69.5													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

TABLE 63

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE ANNUAL OCCUPANCY

1974: 67.9% (122 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	60.4	70 .2	66.7	65.1	74.8	67.2									
TIAALTA ZONE [b]	66.5	69.3	45.6	77.5	58.8	51.9	66.0	58.1	64.5	74.8	70.2	65.4	67.9	57.2	
CENSUS DIVISION [c]	67.5	69.3	67.8	70.0	45.6	74.9	64.3	77.5	64.8	47.1	69.2	65.9	55.1	69.2	62.2
CATEGORY [d]	68.2	67.2	69.3	68.7	58.6										
SIZE RANGE [e]	55.6	64.2	65.6	64.4	67.7	67.6	I/S								
LOCATION [f]	63.7	72.0													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

TABLE 64

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE SEASONAL OCCUPANCY

WINTER*: 59.2% (230 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	68.2	61.4	58.4	59.1	53.2	57.9									
TIAALTA ZONE [b]	52.3	69.1	59.5	65.0	48.9	61.3	60.5	66.1	46.4	53.2	61.4	62.8	80.8	77.0	
CENSUS DIVISION [c]	67.7	60.3	43.4	69.7	55.7	53.4	57.4	66.8	58.2	57.1	59.9	60.6	73.0	73.9	74.0
CATEGORY [d]	58.5	60.4	58.4	N/A	68.0										
SIZE RANGE [e]	51.0	60.9	59.8	61.2	52.5	56.6	I/S								
LOCATION [f]	60.0	58.5													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

N/A: Not available due to seasonal nature of category

I/S: Insufficient Sample

* December 1 - March 31 : 121 days

TABLE 65

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE SEASONAL OCCUPANCY

SPRING *: 63.7% (230 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	59.7	70.0	68.8	57.1	63.8	63.6									
TIAALTA ZONE [b]	58.9	75.0	67.4	71.7	65.6	61.2	61.3	58.4	49.9	63.8	70.0	62.4	58.4	57.3	
CENSUS DIVISION [c]	76.2	68.7	58.1	66.4	67.1	63.9	72.4	73.6	55.8	69.1	68.3	53.6	44.5	65.7	59.4
CATEGORY [d]	64.4	64.6	64.3	53.9	49.9										
SIZE RANGE [e]	59.0	63.0	62.0	65.5	58.3	65.5	I/S								
LOCATION [f]	59.3	67.3													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

* April 1 - June 15 : 76 days

TABLE 66

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE SEASONAL OCCUPANCY

SUMMER*: 82.2% (230 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	70.7	78.8	84.4	95.4	76.8	89.1									
TIAALTA ZONE [b]	89.5	88.0	90.3	87.0	78.3	69.5	76.8	63.8	95.9	76.8	78.8	95.0	69.1	70.7	
CENSUS DIVISION [c]	86.4	86.8	92.3	82.8	92.5	76.4	85.9	85.6	95.1	74.9	77.4	65.4	68.6	81.4	67.6
CATEGORY [d]	77.8	89.3	79.9	95.3	85.1										
SIZE RANGE [e]	78.9	81.2	81.9	82.9	81.6	81.8	I/S								
LOCATION [f]	86.2	78.6													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

* June 16 - September 15 : 92 days

TABLE 67

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE SEASONAL OCCUPANCY

FALL*: 65.5% (230 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	68.9	69.6	70.6	50.5	66.2	71.3									
TIAALTA ZONE [b]	66.6	80.5	79.3	71.9	64.7	65.6	72.7	65.3	54.6	66.2	69.6	47.5	74.0	66.2	
CENSUS DIVISION [c]	77.4	75.2	57.4	62.7	82.5	66.7	72.7	74.8	50.4	65.0	68.1	65.9	59.3	76.4	71.8
CATEGORY [d]	64.9	64.9	68.4	65.0	66.7										
SIZE RANGE [e]	63.7	70.0	66.8	64.8	62.5	65.6	I/S								
LOCATION [f]	61.2	68.8													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

* September 16 - November 30 : 76 days

TABLE 68

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE ROOM REVENUE PER ESTABLISHMENT AND CATEGORY ROOM

1976: $229,449 (214 ESTABLISHMENTS)

$4,992 (9,935 ROOMS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	78,322	500,504	70,870	634,653	509,241	142,039									
TIAALTA ZONE [b]	129,163	174,944	61,772	90,173	52,828	73,222	81,136	52,850	606,238	509,241	500,504	655,318	99,189	81,154	
CENSUS DIVISION [c]	269,375	196,296	62,864	29,567	63,369	593,647	68,889	89,771	430,242	68,562	332,480	71,798	49,417	95,346	89,036
CATEGORY [d] *	321,015 / 5,119	127,907 / 4,331	338,855 / 5,040	I/S / I/S	71,641 / 3,926										
SIZE RANGE [e]	17,182	56,313	120,293	297,172	572,245	2,575,000	I/S								
LOCATION [f]	136,364	442,830													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

* Figure below the diagonal line is average room revenue per unit

TABLE 69

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE FOOD & BEVERAGE REVENUE PER ESTABLISHMENT AND CATEGORY ROOM

1976: $376,488 (209 ESTABLISHMENTS)

$8,124 (9,686 ROOMS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	376,476	1,316,069	272,163	682,840	1,671,709	445,708									
TIAALTA ZONE [b]	427,167	467,957	232,653	302,333	264,056	342,646	338,082	313,250	413,000	1,671,709	1,316,069	1,087,600	224,567	553,625	
CENSUS DIVISION [c]	769,893	457,167	360,000	I/S	298,204	1,686,709	244,708	366,375	529,108	301,903	1,027,976	418,070	377,000	246,144	335,170
CATEGORY [d] *	649,760 / 10,256	22,016 / 747	1,170,562 / 17,930	I/S / I/S	41,250 / I/S										
SIZE RANGE [e]	193,589	243,032	563,819	722,602	1,121,742	2,512,250	I/S								
LOCATION [f]	331,265	1,383,781													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

* Figure below the diagonal line is average food & beverage revenue per unit

TABLE 70

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE OTHER REVENUE PER ESTABLISHMENT AND CATEGORY ROOM

1976: $16,689 (210 ESTABLISHMENTS)

$360 (9,737 ROOMS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	19,367	78,222	16,156	27,733	89,065	14,217									
TIAALTA ZONE [b]	11,860	44,000	20,000	6,144	41,570	15,975	8,516	9,000	58,450	89,065	78,222	12,375	6,883	60,333	
CENSUS DIVISION [c]	44,000	30,000	7,325	I/S	20,000	99,100	3,536	6,114	30,633	24,606	73,545	25,828	40,000	8,516	13,648
CATEGORY [d] *	27,864 / 435	1,676 / I/S	36,695 / 562	I/S / I/S	24,974 / I/S										
SIZE RANGE [e]	44,512	7,289	29,498	18,564	44,883	246,000	I/S								
LOCATION [f]	12,053	65,432													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

* Figure below the diagonal line is average other revenue per unit

TABLE 71

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE PERCENTAGE DEMAND BY GUEST ORIGIN (1976)

ALBERTA: 59.5%

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	81.5	68.5	77.3	35.2	49.1	65.5									
TIAALTA ZONE [b]	64.5	68.2	67.0	78.6	80.9	80.8	78.0	87.3	34.4	49.1	68.5	35.7	79 .7	86.2	
CENSUS DIVISION [c]	61.3	72.5	72.6	80.5	64.6	49.5	83.6	79.3	37.5	74.9	69.2	87.6	89.1	74.8	83.7
CATEGORY [d]	59.0	62.5	65.1	24.9	62.2										
SIZE RANGE [e]	77.5	71.8	70.8	66.5	58.3	47.7	30.0								
LOCATION [f]	58.6	60.4													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 72

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE PERCENTAGE DEMAND BY GUEST ORIGIN (1976)

OTHER CANADIAN PROVINCES: 25.8%

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	13.8	23.0	20.7	26.3	38.0	21.9									
TIAALTA ZONE [b]	20.2	26.3	30.1	19.9	17.4	17.7	16.6	10.0	25.1	38.0	23.0	26.9	12.3	7.3	
CENSUS DIVISION [c]	30.7	24.4	11.5	17.0	32.2	37.6	14.5	19.0	26.4	23.0	22.5	11.6	8.0	17.1	10.5
CATEGORY [d]	27.1	25.0	22.1	30.7	22.4										
SIZE RANGE [e]	18.0	20.5	20.7	24.3	26.0	34.4	30.0								
LOCATION [f]	58.6	60.4													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 73

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE PERCENTAGE DEMAND BY GUEST ORIGIN (1976)

U.S.A.: 12.8%

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	4.6	7.0	1.6	31.8	11.3	11.4									
TIAALTA ZONE [b]	13.6	5.4	2.9	1.2	1.6	1.5	5.4	2.7	31.4	11.3	7.0	32.0	7.9	6.0	
CENSUS DIVISION [c]	8.0	3.1	15.6	2.5	3.2	11.2	1.9	1.3	29.9	2.1	6.7	0.7	2.9	8.1	5.7
CATEGORY [d]	12.0	11.4	11.9	32.3	15.9										
SIZE RANGE [e]	4.5	6.9	8.1	8.6	14.5	14.3	32.4								
LOCATION [f]	17.3	8.7													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

TABLE 74

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE PERCENTAGE DEMAND BY GUEST ORIGIN (1976)

OTHER FOREIGN: 1.9%

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	0.1	1.5	0.4	6.8	1.6	1.2									
TIAALTA ZONE [b]	1.7	N/A	N/A	0.3	0.1	N/A	N/A	N/A	9.3	1.6	1.5	5.3	N/A	0.5	
CENSUS DIVISION [c]	N/A	N/A	0.3	N/A	N/A	1.7	N/A	0.4	6.3	N/A	1.6	N/A	N/A	N/A	N/A
CATEGORY [d]	1.9	1.1	0.9	12.1	0.3										
SIZE RANGE [e]	N/A	0.8	0.4	0.5	1.2	3.7	7.5								
LOCATION [f]	3.2	0.8													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

N/A: Not applicable

TABLE 75

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE STAFF PAYROLL PER ESTABLISHMENT AND CATEGORY ROOM
1976 $230,563 (137 ESTABLISHMENTS)

$4,088 (7,726 ROOMS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	75,767	475,735	45,353	453,067	530,849	106,892									
TIAALTA ZONE [b]	89,356	159,500	37,822	33,115	71,828	89,223	53,728	45,700	384,400	530,849	475,735	487,400	25,898	202,500	
CENSUS DIVISION [c]	304,750	151,115	12,186	29,000	39,292	603,759	34,522	33,864	314,796	83,088	386,068	151,662	58,000	19,316	45,842
CATEGORY [d]	406,321 / 5,003	35,784 / 1,126	414,981 / 5,990	I/S / I/S	30,473 / I/S										
SIZE RANGE [e]	18,314	37,403	131,665	174,155	421,017	1,979,250	I/S								
LOCATION [f]	113,256	448,070													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

* Figure below the diagonal line is average staff payroll per unit

TABLE 76

ALBERTA ACCOMMODATION INDUSTRY

AVERAGE PROPERTY AND BUSINESS TAXES PER ESTABLISHMENT AND CATEGORY ROOM

1976: $30,309 (105 ESTABLISHMENTS)

Statistical Parameter / Code Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
REGION [a]	6,873	95,206	6,933	25,320	71,289	7,404									
TIAALTA ZONE [b]	5,206	11,800	9,288	5,267	7,077	7,251	3,014	3,796	52,150	71,289	95,206	13,396	5,589	20,467	
CENSUS DIVISION [c]	24,000	5,500	3,615	I/S	9,288	82,371	4,170	5,267	19,346	5,683	81,196	14,805	2,602	3,467	6,522
CATEGORY [d]	52,999 / 646	8,118 / 252	51,633 / 715	I/S / I/S	1,910 / 131										
SIZE RANGE [e]	2,069	5,399	12,827	23,841	72,007	256,750	I/S								
LOCATION [f]	8,911	69,635													

a: 1 Northern Alberta 2 City of Edmonton 3 Central Alberta 4 Banff-Jasper National Parks 5 Calgary & District 6 Southern Alberta

b: TIAALTA Zone Number Identical to Code Number

c: Census Division Number Identical to Code Number

d: 1 Hotel 2 Motel 3 Motor Hotel 4 Lodge 5 Cabin/Bungalow

e: 1 0-9 2 10-24 3 25-49 4 50-75 5 76-199 6 200-499 7 500+

f: 1 Rural 2 Urban

I/S: Insufficient Sample

* Figure below the diagonal line is average property and business taxes per unit

APPENDIX 2

ECONOMIC STATISTICAL DATA BY CENSUS DIVISION AND TIAALTA ZONE

Before the various economic statistical data on the Province of Alberta are presented, we have provided our calculations in deriving a composite growth rate for each TIAALTA zone, the criteria utilized in determining the development potential for each TIAALTA zone and the equations used in calculating the number of additional rooms supportable at the market and economic occupancy levels.

Calculations for Composite Growth Rate Used in Projecting Occupied Room Nights by TIAALTA Zone

	Sources of Room Demand	Percentage of 1976 Room Demand *	Projected Compound Growth **	Weight Factor ***
Zone 1	Industrial-commercial	51.8	.04	2.072
	Tourism	42.2	.04	1.688
	Group meetings-conventions	0.8	.02	0.016
	Government	0.8	.02	0.016
	Other	4.5	.01	0.045
	Composite Growth Rate %			3.837
Zone 2	Industrial-commercial	68.9	.04	2.756
	Tourism	24.7	.03	0.741
	Group meetings-conventions	4.9	.02	0.098
	Government	0.6	.01	0.006
	Other	0.9	.01	0.009
	Composite Growth Rate %			3.610
Zone 3	Industrial-commercial	75.2	.04	3.008
	Tourism	23.0	.02	0.460
	Group meetings-conventions	0.0	.00	0.000
	Government	0.4	.01	0.004
	Other	1.4	.01	0.014
	Composite Growth Rate %			3.486

	Sources of Room Demand	Percentage of 1976 Room Demand *	Projected Compound Growth **	Weight Factor ***
Zone 4	Industrial-commercial	65.3	.05	3.265
	Tourism	19.4	.04	0.776
	Group meetings-conventions	2.3	.03	0.069
	Government	3.2	.02	0.064
	Other	9.7	.02	0.194
	Composite Growth Rate %			4.368
Zone 5	Industrial-commercial	87.0	.05	4.350
	Tourism	8.8	.02	0.176
	Group meetings-conventions	0.0	.00	0.000
	Government	1.7	.01	0.017
	Other	2.5	.02	0.050
	Composite Growth Rate %			4.593
Zone 6	Industrial-commercial	73.5	.06	4.410
	Tourism	7.9	.03	0.237
	Group meetings-conventions	2.6	.02	0.052
	Government	8.9	.03	0.267
	Other	7.2	.03	0.216
	Composite Growth Rate %			5.182
Zone 7	Industrial-commercial	74.1	.05	3.705
	Tourism	18.8	.04	0.752
	Group meetings-conventions	0.0	.00	0.000
	Government	5.3	.02	0.106
	Other	1.9	.02	0.038
	Composite Growth Rate %			4.601
Zone 8	Industrial-commercial	81.8	.04	3.272
	Tourism	7.5	.02	0.150
	Group meetings-conventions	0.0	.00	0.000
	Government	7.3	.03	0.219
	Other	3.4	.01	0.034
	Composite Growth Rate %			3.675
Zone 9	Industrial-commercial	4.4	.01	0.044
	Tourism	78.0	.04	3.120
	Group meetings-conventions	13.8	.02	0.276
	Government	3.8	.02	0.076
	Other	0.0	.00	0.000
	Composite Growth Rate %			3.516

	Sources of Room Demand	Percentage of 1976 Room Demand *	Projected Compound Growth **	Weight Factor ***
Zone 10	Industrial-commercial	60.0	.05	3.000
	Tourism	24.4	.04	0.976
	Group meetings-conventions	8.2	.04	0.328
	Government	2.5	.025	0.0625
	Other	5.0	.02	0.100
	Composite Growth Rate %			4.4665
Zone 11	Industrial-commercial	70.3	.05	3.515
	Tourism	12.2	.035	0.427
	Group meetings-conventions	7.3	.05	0.365
	Government	6.7	.03	0.201
	Other	3.5	.03	0.105
	Composite Growth Rate %			4.613
Zone 12	Industrial-commercial	0.8	.00	0.000
	Tourism	81.6	.045	3.672
	Group meetings-conventions	15.8	.03	0.474
	Government	1.8	.02	0.036
	Other	0.0	.00	0.000
	Composite Growth Rate %			4.182
Zone 13	Industrial-commercial	77.5	.04	3.100
	Tourism	14.2	.035	0.497
	Group meetings-conventions	4.6	.02	0.092
	Government	2.7	.025	0.0675
	Other	1.1	.02	0.022
	Composite Growth Rate %			3.7785
Zone 14	Industrial-commercial	73.2	.04	2.928
	Tourism	12.5	.02	0.250
	Group meetings-conventions	3.1	.01	0.031
	Government	8.1	.025	0.2025
	Other	3.1	.02	0.062
	Composite Growth Rate %			3.4735

	Sources of Room Demand	Percentage of 1976 Room Demand *	Projected Compound Growth **	Weight Factor ***
Eastern	Industrial-commercial	48.0	.04	1,920
	Tourism	44.0	.04	1.760
	Group meetings-conventions	4.0	.01	0.040
	Government	3.0	.02	0.060
	Other	1.0	.02	0.020
	Composite Growth Rate %			3.800

* Sources of room demand percentages in Table 22, pg. B-18 (industrial-commercial), Table 25, pg. B-26 (tourism) Table 27, pg. B-29 (group meetings-conventions), Table 28, pg. B-31 (government) and Table 29, pg. B-33 (other).

** Projected compound growth rates derived by consultants after considering various economic and demographic growth indicators (Appendix II), growth in tourist arrivals and convention delegates (Table 24, pg. B-24 and Table 26, pg. B-27 respectively) and interviews with government personnel and users of rural accommodation facilities (work crews).

*** Weight factor derived by multiplying sources of room demand percentages by projected compound growth rate.

Definition of Criteria Used in Determining
Development Potential for TIAALTA Zones

(all comparisons made to a specific provincial average and adjudged as either a positive or negative factor)

Criteria	Positive	Negative
Average Annual Occupancy	. above average 1976 occupancy of 68.9%	. below average 1976 occupancy of 68.9%
Average Summer Season Occupancy	. above average 1976 summer season occupancy of 82.2%	. below average 1976 summer season occupancy of 82.2%
Average Percentage Range in Occupancies from Low to High Season	. below average low to high season range in 1976 occupancies of 23% points	. above average low to high season range in 1976 occupancies of 23% points

Criteria	Positive	Negative
Average Percentage of Work Crew Demand to Total Room Demand	. low proportion of work crew demand to total room demand (9 and above)	. high proportion of work crew demand to total room demand (8 and below)
Average Compound Growth Rate in Occupancy from 1974 to 1976	. above average occupancy growth rate of 7.1%	. below average occupancy growth rate of 7.1%
Average Compound Growth Rate in Accommodation Supply from 1972 to 1976	. above average growth in accommodation supply of 6.8%	. below average growth in accommodation supply of 6.8%
Average Compound Growth Rate in Projected Accommodation Supply from 1977 to 1980	. below average projected supply growth rate of 4.3%	. above average projected supply growth rate of 4.3%
Growth Rates in Principal Economic/Demographic Indicators Between 1971-1976	. growth above the provincial average in 5 of 9 principal economic/ demographic indicators	. growth below the provincial average in 5 of 9 principal economic/ demographic indicators
Dollar Value of Proposed Industrial Projects as of January 1977	. medium dollar value ($11-$500 million) . high dollar value ($501 million-$3 billion)	. low (less that $1 million-$10 million)
Availability of Significant Attractions and/or Events	. good . excellent	. poor . few
Significant Transportation Developments Planned	. upgrading . new developments	. poor accessibility . improvements required
Potential Recreational/ Tourism Developments	. good . excellent . destination area	. restrictions

Criteria Calculations in Determining Development Potential for TIAALTA Zones

Provincial Criteria (Quantitative)	TIAALTA Zones 1	2	3	4	5	6	7	8
Average Annual Occupancy (1976: 68.9%)	Above (+1.1% points)	Above (+10.4)	Above (+6.7)	Above (+6.6)	Below (-2.6)	Below (-5.1)	Average (0.0)	Below (-4.9)
Average Summer Season Occupancy (1976: 82.2%)	Above (+7.3% points)	Above (+5.8)	Above (+8.1)	Above (+4.8)	Below (-3.9)	Below (-12.7)	Below (-5.4)	Below (-18.4)
Average Percentage Range in Occupancies from Low to High Season (1976: 23% points)	Above (+14.2% points)	Below (-4.1)	Above (+7.8)	Below (-1.0)	Above (+6.4)	Below (-14.7)	Below (-6.7)	Below (-15.3)
Average Percentage of Work Crew Demand to Total Room Demand	13.0 (10)	30.3 (9)	45.1 (5)	34.6 (7)	67.0 (1)	43.4 (6)	33.3 (8)	64.6 (2)
Average Compound Growth Rate in Occupancy from 1974 to 1976 (7.1%)	Above (+0.2% points)	Above (+7.7)	Above (+22.9)	Below (-3.3)	Above (+3.3)	Above (+12.6)	Above (+1.1)	Above (+2.7)
Average Compound Growth Rate in Accommodation Supply from 1972 to 1976 (6.8%)	4.9 Below (-1.9% points)	7.9 Above (+1.1)	1.1 Below (-5.7)	5.5 Below (-1.3)	4.2 Below (-2.6)	8.7 Above (+1.9)	6.3 Below (-0.5)	4.8 Below (-2.0)
Average Compound Growth Rate in Projected Accommodation Supply from 1977 to 1980 (4.3%)	3.4 Below (-0.9% points)	6.3 Above (+2.0)	8.7 Above (+4.4)	7.4 Above (+3.1)	3.2 Below (-1.1)	3.2 Below (-1.1)	4.3 Average (0.0)	2.0 Below (-2.3)
Growth Rates in Principal Economic/Demographic Indicators Between 1971-1976 (9 indicators)	Above 7	Above 6	Below 4	Above 5	Above 8	Above 5	Below 4	Above 6
Dollar Value of Proposed Industrial Projects as of January 1977	Medium $11-$100 million	Medium $11-$100 million	Medium $251-$500 million	Medium $11-$100 million	Medium $251-$500 million	High $3 billion	High $501-$1 billion	Medium $11-$100 million

Criteria Calculations in Determining Development

Potential for TIAALTA Zones - cont'd

Provincial Criteria (Quantitative)	TIAALTA Zones 9	10	11	12	13	14	Eastern Slopes
Average Annual Occupancy (1976: 68.9%)	Below (-2.2% points)	Below (-2.7)	Above (+1.1)	Above (+0.5)	Above (+3.2)	Above (+0.1)	Above (+1.1)
Average Summer Season Occupancy (1976: 82.2%)	Above (+13.7% points)	Below (-5.4)	Below (-3.4)	Above (+12.8)	Below (-13.1)	Below (-11.5)	Above (+1.8)
Average Percentage Range in Occupancies from Low to High Season (1976: 23% points)	Above (+26.5% points)	Above (+0.6)	Below (-5.6)	Above (+24.5)	Below (-0.6)	Below (-3.3)	Average (0.0)
Average Percentage of Work Crew Demand to Total Room Demand	0 (13)	1.8 (12)	2.8 (11)	0 (14)	60.5 (3)	54.2 (4)	20.0 --
Average Compound Growth Rate in Occupancy from 1974 to 1976 (7.1%)	Below (-4.9% points)	Below (-5.3)	Above (+1.4)	Below (-0.1)	Above (+4.2)	Above (+10.8)	Above (+6.9)
Average Compound Growth Rate in Accommodation Supply from 1972 to 1976 (6.8%)	0.5 Below (-6.3% points)	8.7 Above (+1.9)	9.6 Above (+2.8)	4.1 Below (-2.7)	8.8 Above (+2.0)	8.1 Above (+1.3)	6.1 Below (-0.7)
Average Compound Growth Rate in Projected Accommodation Supply from 1977 to 1980 (4.3%)	3.4 Below (-0.9% points)	4.1 Below (-0.2)	5.2 Above (+0.9)	2.8 Below (-1.5)	3.0 Below (-1.3)	2.6 Below (-1.7)	4.9 Above (+0.6)
Growth Rate in Principal Economic/Demographic Indicators Between 1971-1976 (9 indicators)	Below 4	Above 5	Below 2	Below 4	Above 6	Above 6	Below 4
Dollar Value of Proposed Industrial Projects as of January 1977	Low \$1 million	Medium \$101-\$250 million	Medium \$11-\$100 million	Low less \$1 million	Medium \$251-\$500 million	Medium \$11-\$100 million	Medium \$101-\$250 million

Criteria Calculations in Determining Development
Potential for TIAALTA Zones - cont'd

Provincial Criteria (Quantitative)	Sources of Information
Average Annual Occupancy (1976: 68.9%)	Table 18, pg. B-2
Average Summer Season Occupancy (1976: 82.2%)	Table 66, Appendix 1, pg. D-39
Average Percentage Range in Occupancies from Low to High Season (1976: 23% points)	Tables 64 - 67 inclusive, Appendix 1, pg. D-37 to D-40
Average Percentage of Work Crew Demand to Total Room Demand	Table 22, pg. B-18
Average Compound Growth Rate in Occupancy from 1974 to 1976 (7.1%)	Table 19, pg. B-6
Average Compound Growth Rate in Accommodation Supply from 1972 to 1976 (6.8%)	Table 7, pg. A-29 and Table 12, pg. A-37
Average compound Growth Rate in Projected Accommodation Supply from 1977 to 1980 (4.3%)	TIAALTA Zone and Eastern Slopes Accommodation Supply/Demand Model (Supply Level A)
Growth Rate in Principal Economic/Demographic Indicators Between 1971-1976 (9 indicators)	Appendix 2, Economic Statistical Data by Census Division and TIAALTA Zone
Dollar Value of Proposed Industrial Projects as of January 1977	1977 List of Industrial Projects, Alberta Department of Business Development and Tourism (medium-high: above and low: below)

Equations Used in Calculating Additional Rooms Supportable at Market and Economic Occupancy Levels for Each TIAALTA Zone

Additional Rooms Supportable at Market Occupancy =

(calculation for each individual year, 1977-1980 inclusive)

$$\frac{\text{Additional Annual Occupied Room Nights}}{365 \times \text{Market Occupancy Percentage}}$$

Additional Rooms Supportable at Economic Occupancy =

1976: $$\frac{\text{Total 1976 Room Nights Available by Zone}}{365} - \frac{\text{(Total 1976 Occupied Room Nights}}{(365 \times \text{Economic Occupancy Percentage)}}$$

1977: $$\frac{\text{(Total 1977 Occupied Room Nights)}}{(365 \times \text{Economic Occupancy Percentage}} - \text{Total 1976 Additional Rooms Supportable at Economic Occupancy}$$

1978: $$\frac{\text{(Total 1978 Occupied Room Nights)}}{(365 \times \text{Economic Occupancy Percentage)}} - \text{Total 1977 Additional Rooms Supportable at Economic Occupancy}$$

1979: $$\frac{\text{(Total 1979 Occupied Room Nights}}{(365 \times \text{Economic Occupancy Percentage)}} - \text{Total 1978 Additional Rooms Supportable at Economic Occupancy}$$

1980: $$\frac{\text{(Total 1980 Occupied Room Nights)}}{(365 \times \text{Economic Occupancy Percentage)}} - \text{Total 1979 Additional Rooms Supportable at Economic Occupancy}$$

PRINCIPAL ECONOMIC AND DEMOGRAPHIC INDICATORS

PROVINCE OF ALBERTA: 1971 - 1976 ('000)

	1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population **	1,628	1,654	1,683	1,714	1,768	1,838	2.6
Total Labour Force	682	708	741	773	811	856	5.1
Total Employed Labour Force	643	668	702	747	778	822	5.6
Unemployment Rate (%)	5.7	5.6	5.3	3.5	4.1	3.9	-6.3
Personal disposable Income	$ 4,535,000	5,127,050	5,719,100	6,942,000	8,250,000	10,327,200	25.5
Per Capita Income	$ 2.78	3.10	3.40	4.05	4.66	5.62	20.4
Retail Sales	$ 3,080,753	3,538,676	4,208,536	5,286,538	6,565,405	N/A	28.3
Service Sales	$ 333,950	372,070	447,766	529,889	686,240	N/A	26.4
Accommodation/Food Service Sales	$ 262,357	301,795	370,150	441,530	570,454	N/A	29.4
Total Trade Payroll	$ 382,008	493,293	580,784	731,412	938,480	N/A	36.4

N/A Not available (All 1976 retail/service trade statistics available from Alberta Bureau of Statistics by June 1978)
* 1971 as base year
** Annual data as of June 1

PRINCIPAL ECONOMIC AND DEMOGRAPHIC INDICATORS (CONT'D)

	1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Value of Manufacturing Shipments***	$ 2,057,232	2,409,087	2,990,193	3,829,587	4,485,718[e]	4,955,934[e]	28.7
Total Manufacturing Payroll	$ 363,847	419,474	486,885	582,424	N/A	N/A	20.0
Value of Building Permits Issued	$ 567,293	635,822	763,097	1,071,334	1,270,060	1,831.021	44.6
Value of Mineral Production	$ 1,640,508	1,978,606	2,764,142	4,516,679	5,737,474	6,995,572[e]	65.3
Value of Construction Work	$ 1,845,946	1,979,301	2,334,347	2,961,570	3,834,130	4,827,150[e]	32.3
Net Value of Production	$ 3,825,707	4,439,927	5,793,744	8,500,640	10,451,000	12,279,000[e]	44.2
Farm Cash Receipts	$ 781,076	920,693	1,205,599	1,708,200	1,873,143	1,822,578[e]	26.7
Private/Public Investment	$ 2,718,200	2,997,900	3,667,700	4,706,200	6,052,700	7,707,800[e]	36.7
Labour Income	$ 3,510,000	3,895,000	4,426,000	5,256,000	6,650,600	7,943,100[e]	25.3

N/A Not available (All 1975 and 1976 manufacturing statistics available from Alberta Bureau of Statistics by June 1978)
e Preliminary estimate
* 1971 as base year
*** 1971-1974 data included only for average growth compilation in order for census comparisons

SOURCES:

Financial Post Survey of Markets (Annual)
Alberta Bureau of Statistics
- Alberta Statistical Review (Monthly/Annual)
- Alberta Retail and Service Trade Statistics (Annual)
- Alberta Principal Manufacturing Statistics (Annual)

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 1: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		39.15	38.3	39.1	39.1	39.6	46.99	4.0
Personal Disposable Income	$	100,600	112,000	123,400	154,500	178,700	253,700	30.4
Per Capita Income	$	2.57	2.92	3.16	3.95	4.51	5.40	22.0
Retail Sales	$	69,000	80,050	95,797	125,139	160,561	N/A	20.5
Service Sales	$	6,652	8,157	11,130	12,647	14,239	N/A	28.5
Accommodation/Food Service Sales	$	5,147	6,530	9,286	10,653	12,039	N/A	33.5
Value of Manufacturing Shipments	$	66,423	76,497	88,577	108,150	N/A	N/A	20.9
Total Manufacturing Payroll	$	11,776	13,226	14,017	16,482	N/A	N/A	13.3
Value of Building Permits Issued	$	5,282	17,508	19,236	131,512	40,142	56,986	195.8

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 2: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		86.62	85.7	87.6	88.3	90.1	97.0	2.4
Personal Disposable Income	$	198,700	227,550	256,400	331,800	387,800	530,200	33.4
Per Capita Income	$	2.29	2.66	2.93	3.76	4.30	5.47	27.8
Retail Sales	$	180,754	206,179	273,591	320,374	395,181	N/A	29.7
Service Sales	$	15,081	18,471	21,615	27,472	33,187	N/A	30.0
Accommodation/Food Service Sales	$	11,724	14,976	17,596	22,941	27,393	N/A	33.4
Value of Manufacturing Shipments	$	216,818	268,755	347,893	426,294	N/A	N/A	32.2
Total Manufacturing Payroll	$	22,155	26,890	30,768	35,045	N/A	N/A	19.4
Value of Building Permits Issued	$	22,985	25,038	38,856	59,527	65,412	98,986	66.1

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 3: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		30.94	31.1	31.2	31.4	32.1	32.9	.01
Personal Disposable Income	$	63,300	73,350	83,400	109,500	125,800	154,800	28.9
Per Capita Income	$	2.05	2.36	2.67	3.49	3.92	4.70	25.9
Retail Sales	$	41,559	47,060	54,242	71,126	85,784	N/A	26.6
Service Sales	$	4,111	4,343	5,491	6,656	6,768	N/A	16.2
Accommodation/Food Service Sales	$	3,627	3,902	4,994	6,148	5,923	N/A	15.8
Value of Manufacturing Shipments	$	21,895	30,900	41,318	46,156	N/A	N/A	36.9
Total Manufacturing Payroll	$	3,877	5,340	7,247	9,175	N/A	N/A	45.6
Value of Building Permits Issued	$	3,703	4,780	4,067	7,843	10,074	18,824	81.7

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 4: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		12.99	12.1	12.4	12.2	12.1	12.13	-1.3
Personal Disposable Income	$	27,700	32,000	36,300	50,400	55,100	69,700	30.3
Per Capita Income	$	2.13	2.64	2.93	4.13	4.55	5.75	34.0
Retail Sales	$	20,060	22,799	26,249	33.083	39,641	N/A	24.4
Service Sales	$	1,617	1,789	2,032	2,594	2,609	N/A	15.3
Accommodation/Food Service Sales	$	1,478	1,646	1,858	2,376	2,354	N/A	14.8
Value of Manufacturing Shipments	$	288	303	312	354	N/A	N/A	7.6
Total Manufacturing Payroll	$	104	101	120	88	N/A	N/A	5.1
Value of Building Permits Issued	$	462	803	850	924	3,920	3,883	148.1

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* 1971 as base year

** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 5: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		34.49	33.7	33.7	33.4	33.4	35.42	0.5
Personal Disposable Income	$	74,600	84,750	94,900	145,100	160,500	213,200	37.2
Per Capita Income	$	2.17	2.51	2.82	4.34	4.80	6.02	35.5
Retail Sales	$	51,223	57,952	74,718	87,736	110,374	N/A	28.9
Service Sales	$	4,369	5,051	5,892	6,348	7,282	N/A	16.7
Accommodation/Food Service Sales	$	3,482	4,277	5,017	5,730	6,443	N/A	21.3
Value of Manufacturing Shipments	$	2,289	2,555	3,350	3,959	N/A	N/A	24.3
Total Manufacturing Payroll	$	575	710	946	1,023	N/A	N/A	26.0
Value of Building Permits Issued	$	1,956	2,614	3,591	6,125	14,968	16,054	144.2

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 6: 1971 - 1976 ('000)

	1971	1972	1973	1874	1975	1976	Simple Average Annual Growth (%)*
Population**	447.08	460.8	475.2	490.2	511.6	524.55	3.5
Personal Disposable Income	$ 1,493,400	1,684,050	1,874,700	2,233,600	2,710,000	3,311,300	24.3
Per Capita Income	$ 3.34	3.65	3.94	4.56	5.30	6.31	17.8
Retail Sales	$ 1,001,436	1,134,096	1,310,096	1,630,447	2,003,255	N/A	25.0
Service Sales	$ 107,773	114,174	137,858	171,410	223,193	N/A	26.8
Accommodation/Food Service Sales	$ 81,851	89,570	110,919	138,563	181,163	N/A	30.3
Value of Manufacturing Shipments	$ 589,716	674,883	829,382	1,146,932	N/A	N/A	31.5
Total Manufacturing Payroll	$ 118,064	131,853	149,452	184,857	N/A	N/A	18.9
Value of Building Permits Issued	$ 200,318	231,041	256,003	297,867	426,698	504,226	30.3

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 7: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		38.33	38.0	37.1	36.5	36.4	37.81	-0.3
Personal Disposable Income	$	75,600	87,550	99,500	130,800	143,200	191,700	30.7
Per Capita Income	$	1.98	2.30	2.68	3.58	3.93	5.07	31.2
Retail Sales	$	59,859	68,550	79,476	107,201	129,990	N/A	29.3
Service Sales	$	5,450	5,331	5,930	7,145	9,806	N/A	20.0
Accommodation/Food Service Sales	$	4,096	4,524	4,971	5,889	8,348	N/A	41.0
Value of Manufacturing Shipments	$	4,475	4,238	4,978	5,642	N/A	N/A	8.7
Total Manufacturing Payroll	$	747	763	803	1,041	N/A	N/A	13.1
Value of Building Permits Issued	$	1,913	4,656	4,523	10,455	13,963	17,200	159.8

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* 1971 as base year

** Annual Data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 8: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		85.64	84.6	85.5	85.7	86.9	95.38	2.3
Personal Disposable Income	$	200,700	224,350	248,000	304,300	350,700	422,600	22.1
Per Capita Income	$	2.34	2.65	2.90	3.55	4.04	4.43	17.9
Retail Sales	$	145,696	177,009	214,121	263,012	331,515	N/A	31.9
Service Sales	$	13,346	14,739	17,578	19,082	28,704	N/A	28.8
Accommodation/Food Service Sales	$	11,387	12,783	15,194	16,423	25,102	N/A	30.1
Value of Manufacturing Shipments	$	99,799	113,566	131,802	159,321	N/A	N/A	20.0
Total Manufacturing Payroll	$	7,605	8,870	10,353	14,028	N/A	N/A	28.2
Value of Building Permits Issued	$	15,501	13,075	22,914	35,671	51,385	98,862	107.6

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 9: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		19.78	19.6	20.5	20.9	21.6	19.9	0.1
Personal Disposable Income	$	45,700	51,200	56,700	66,600	79,700	111,100	28.6
Per Capita Income	$	2.31	2.61	2.77	3.19	3.69	5.58	28.3
Retail Sales	$	29,003	35,876	41,336	47,005	71,194	N/A	36.4
Service Sales	$	28,337	35,877	43,021	41,687	57,688	N/A	25.9
Accommodation/Food Service Sales	$	26,491	33,119	39,916	38,748	54,204	N/A	26.2
Value of Manufacturing Shipments	$	21,565	28,531	34,249	27,422	N/A	N/A	9.1
Total Manufacturing Payroll	$	5,245	6,332	7,272	6,038	N/A	N/A	5.0
Value of Building Permits Issued	$	8,596	6,653	44,660	10,317	12,735	18,752	23.6

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 10: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		65.53	65.1	63.2	62.2	62.0	67.23	0.5
Personal Disposable Income	$	118,100	137,600	157,100	205,000	220,800	279,900	27.4
Per Capita Income	$	1.81	2.11	2.49	3.30	3.56	4.16	26.0
Retail Sales	$	95,759	108,496	124,493	158,359	209,297	N/A	29.6
Service Sales	$	8,367	9,272	11,002	12,051	15,340	N/A	20.8
Accommodation/Food Service Sales	$	7,001	7,827	9,419	10,389	13,050	N/A	21.6
Value of Manufacturing Shipments	$	49,670	54,365	74,392	83,844	N/A	N/A	22.9
Total Manufacturing Payroll	$	7,193	8,075	9,802	11,585	N/A	N/A	20.4
Value of Building Permits Issued	$	7,251	12,206	15,646	29,778	37,106	55,865	134.1

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 11: 1971 - 1976 ('000)

	1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**	552.46	573.1	579.4	593.8	617.2	630.88	2.8
Personal Disposable Income	$ 1,708,800	1,917,350	2,125,900	2,508,100	3,018,100	3,769,400	24.1
Per Capita Income	$ 3.09	3.35	3.67	4.22	4.89	5.98	18.7
Retail Sales	$ 1,115,723	1,280,515	1,518,065	1,920,318	2,383,532	N/A	28.4
Service Sales	$ 109,625	122,598	145,747	175,295	233,361	N/A	28.4
Accommodation/Food Service Sales	$ 81,139	94,051	114,879	141,313	186,715	N/A	32.5
Value of Manufacturing Shipments	$ 876,773	1,017,243	1,242,421	1,589,643	N/A	N/A	27.1
Total Manufacturing Payroll	$ 162,084	184,885	215,738	259,780	N/A	N/A	20.1
Value of Building Permits Issued	$ 260,933	264,225	285,830	351,860	442,174	736,176	36.4

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 12: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		54.65	54.4	55.8	56.6	58.0	63.13	3.1
Personal Disposable Income	$	110,900	128,850	146,800	177,100	203,400	278,300	30.2
Per Capita Income	$	2.03	2.37	2.63	3.13	3.51	4.41	23.5
Retail Sales	$	56,646	64,170	84,200	108,652	154,466	N/A	43.2
Service Sales	$	5,510	6,457	7,845	9,778	11,966	N/A	29.3
Accommodation/Food Service Sales	$	4,367	5,427	6,601	8,417	10,071	N/A	32.7
Value of Manufacturing Shipments	$	4,993	5,796	11,995	10,216	N/A	N/A	35.2
Total Manufacturing Payroll	$	1,481	1,702	2,899	2,454	N/A	N/A	21.9
Value of Building Permits Issued	$	9,243	12,290	17,777	53,319	68,479	105,024	207.3

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 13: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		43.79	42.5	43.4	43.3	43.7	48.34	2.1
Personal Disposable Income	$	74,000	87,100	100,200	129,400	145,500	163,500	24.2
Per Capita Income	$	1.69	2.05	2.31	2.99	3.33	3.38	20.0
Retail Sales	$	51,252	57,183	74,513	96,879	133,075	N/A	39.9
Service Sales	$	4,566	4,951	5,484	6,334	9,816	N/A	28.8
Accommodation/Food Service Sales	$	3,631	4,088	4,801	5,286	8,427	N/A	33.0
Value of Manufacturing Shipments	$	27,660	28,223	35,680	51,409	N/A	N/A	28.6
Total Manufacturing Payroll	$	3,732	4,125	5,346	8,254	N/A	N/A	40.4
Value of Building Permits Issued	$	3,147	5,360	8,092	6,389	15,494	20,069	107.5

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 14: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		21.67	21.6	22.1	22.4	22.9	19.39	-2.1
Personal Disposable Income	$	51,300	58,600	65,900	77,400	91,400	121,800	27.5
Per Capita Income	$	2.36	2.71	2.98	3.45	3.99	6.28	33.2
Retail Sales	$	29,739	33,168	42,173	52,062	51,815	N/A	18.6
Service Sales	$	5,973	5,977	7,287	8,997	8,548	N/A	10.8
Accommodation/Food Service Sales	$	5,406	5,504	6,661	7,722	7,815	N/A	11.1
Value of Manufacturing Shipments	$	31,163	35,635	54,184	65,769	N/A	N/A	37.0
Total Manufacturing Payroll	$	5,607	8,014	10,415	9,573	N/A	N/A	23.6
Value of Building Permits Issued	$	6,748	5,463	7,100	22,905	14,566	14,354	22.5

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

CENSUS DIVISION 15: 1971 - 1976 ('000)

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)*
Population**		94.76	93.3	96.8	98.0	100.4	107.0	2.6
Personal Disposable Income	$	191,600	220,750	249,900	318,400	379,300	456,000	27.6
Per Capita Income	$	2.02	2.37	2.58	3.25	3.78	4.26	22.2
Retail Sales	$	133,066	165,723	194,103	265,146	305,724	N/A	32.4
Service Sales	$	13,172	14,960	19,541	22,393	23,734	N/A	20.0
Accommodation/Food Service Sales	$	11,527	13,569	18,037	20,523	21,406	N/A	21.4
Value of Manufacturing Shipments	$	43,704	67,597	89,662	104,477	N/A	N/A	46.4
Total Manufacturing Payroll	$	13,603	18,588	21,708	23,002	N/A	N/A	23.0
Value of Building Permits Issued	$	19,255	30,108	33,951	46,843	52,943	65,760	48.3

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)
* 1971 as base year
** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONE 1: 1971 - 1976 ('000)*

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***		117.56	116.8	118.8	119.7	122.2	129.9	2.1
Personal Disposable Income	$	262,000	300,900	339,800	441,300	513,600	685,000	32.3
Per Capita Income	$	2.23	2.58	2.86	3.69	4.20	5.27	27.3
Retail Sales	$	222,313	253,239	327,833	391,500	480,965	N/A	29.1
Service Sales	$	19,192	22,814	27,106	34,128	39,955	N/A	27.1
Accommodation/Food Service Sales	$	15,351	18,878	22,590	29,089	33,316	N/A	29.2
Value of Manufacturing Shipments	$	238,713	299,655	389,211	472,450	N/A	N/A	32.6
Total Manufacturing Payroll	$	26,032	32,230	38,015	44,220	N/A	N/A	23.3
Value of Building Permits Issued	$	26,688	29,818	42,923	67,370	75,486	117,810	68.3

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* TIAALTA Zone 1 comprises primarily Alberta census divisions 2 and 3. Since parts of census divisions 5, 6 and 9 are also included in Zone 1, the above figures are slightly understated, but present a general indication of the Zone's economic/demographic health.

** 1971 as base year

*** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONE 2: 1971 - 1976 ('000)*

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***		39.15	38.3	39.1	39.1	39.6	46.99	4.0
Personal Disposable Income	$	100,600	112,000	123,400	154,500	178,700	253,700	30.4
Per Capita Income	$	2.57	2.92	3.16	3.95	4.51	5.40	22.0
Retail Sales	$	69,000	80,050	95,797	125,139	160,561	N/A	20.5
Service Sales	$	6,652	8,157	11,130	12,647	14,239	N/A	28.5
Accommodation/Food Service Sales	$	5,147	6,530	9,286	10,653	12,039	N/A	33.5
Value of Manufacturing Shipments	$	66,423	76,497	88,577	108,150	N/A	N/A	20.9
Total Manufacturing Payroll	$	11,776	13,226	14,017	16,482	N/A	N/A	13.3
Value of Building Permits Issued	$	5,282	17,508	19,236	131,512	40,142	56,986	195.8

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* TIAALTA Zone 2 comprises primarily Alberta Census division 1. Since a part of census division 2 is also included in Zone 2, the above figures are slightly understated, but present a general indication of the Zones economic/demographic health.

** 1971 as base year

*** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONE 3: 1971 - 1976 ('000)*

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***		47.48	45.8	46.1	45.6	45.5	47.55	.03
Personal Disposable Income	$	102,300	116,750	131,200	195,500	215,600	282,900	35.3
Per Capita Income	$	2.16	2.55	2.85	4.29	4.74	5.95	35.1
Retail Sales	$	71,283	80,751	100,967	120,819	150,015	N/A	27.6
Service Sales	$	5,986	6,840	7,924	8,942	9,891	N/A	16.3
Accommodation/Food Service Sales	$	4,960	5,923	6,875	8,106	8,797	N/A	19.3
Value of Manufacturing Shipments	$	2,577	2,858	3,662	4,313	N/A	N/A	22.5
Total Manufacturing Payroll	$	679	811	1,066	1,111	N/A	N/A	21.2
Value of Building Permits Issued	$	2,418	3,417	4,441	7,049	18,888	19,937	144.9

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* TIAALTA Zone 3 comprises primarily Alberta census divisions 4 and 5. Since parts of these census divisions are included in other TIAALTA zones, the above figures are slightly overstated, but present a general indication of the Zone's economic/demographic health.

** 1971 as base year

*** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONE 4: 1971 - 1976 ('000)*

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***		85.64	84.6	85.5	85.7	86.9	95.38	2.3
Personal Disposable Income	$	200,700	224,350	248,000	304,300	350,700	422,600	22.1
Per Capita Income	$	2.34	2.65	2.90	3.55	4.04	4.43	17.9
Retail Sales	$	145,696	177,009	214,121	263,012	331,515	N/A	31.9
Service Sales	$	13,346	14,739	17,578	19,082	28,704	N/A	28.8
Accommodation/Food Service Sales	$	11,387	12,783	15,194	16,423	25,102	N/A	30.1
Value of Manufacturing Shipments	$	99,799	113,566	131,802	159,321	N/A	N/A	20.0
Total Manufacturing Payroll	$	7,605	8,870	10,353	14,028	N/A	N/A	28.2
Value of Building Permits Issued	$	15,501	13,075	22,914	35,671	51,385	98,862	107.6

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* TIAALTA Zone 4 comprises primarily Alberta census division 8. Since parts of census divisions 6 and 9 are also included in Zone 4, the above figures are slightly understated, but present a general indication of the Zone's economic/demographic health.

** 1971 as base year

*** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONE 5: 1971 - 1976 ('000)*

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***		95.52	98.77	102.13	105.60	109.19	111.59	3.4
Personal Disposable Income	$	174,600	212,700	250,800	339,300	432,100	523,800	40.0
Per Capita Income	$	1.83	2.15	2.46	3.21	3.96	4.69	31.3
Retail Sales	$	167,781	196,082	245,213	313,123	419,326	N/A	37.5
Service Sales	$	14,178	14,877	18,119	20,973	29,242	N/A	26.6
Accommodation/Food Service Sales	$	11,627	12,811	15,491	17,973	24,828	N/A	28.4
Value of Manufacturing Shipments	$	332,989	384,335	476,800	685,985	N/A	N/A	35.3
Total Manufacturing Payroll	$	43,143	49,883	60,884	72,985	N/A	N/A	23.1
Value of Building Permits Issued	$	68,121	88,936	108,274	122,160	153,803	270,635	59.5

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics

* TIAALTA Zone 5 comprises primarily Alberta census division 7. Since parts of census divisions 4, 10 and 11 are also included in zone 5, the above figures are understated, but present a general indication of the Zone's economic/demographic health. To alleviate the seriousness of this understatement, statistics pertaining to census division 11 minus Edmonton Proper have been added to Zone 5's respective totals.

** 1971 as base year

*** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONE 6: 1971 - 1976 ('000)*

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***		120.18	119.5	119.0	118.8	120.0	130.36	1.7
Personal Disposable Income	$	229,000	266,450	303,900	382,100	424,200	558,200	28.8
Per Capita Income	$	1.91	2.23	2.55	3.22	3.54	4.28	24.8
Retail Sales	$	152,405	172,666	208,693	267,011	363,763	N/A	34.7
Service Sales	$	13,877	15,729	18,847	21,829	27,306	N/A	24.2
Accommodation/Food Service Sales	$	11,368	13,254	16,020	18,806	23,121	N/A	25.9
Value of Manufacturing Shipments	$	54,663	60,161	86,387	94,060	N/A	N/A	24.0
Total Manufacturing Payroll	$	8,674	9,777	12,701	14,039	N/A	N/A	20.6
Value of Building Permits Issued	$	16,494	24,496	33,423	83,097	105,585	160,889	172.7

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* TIAALTA Zone 6 comprises Alberta census divisions 10 and 12. Since part of census division 10 is included in TIAALTA Zone 5, the above figures are slightly overstated, but present a general indication of the Zone's economic/demographic health.

** 1971 as base year

*** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONE 7: 1971 - 1976 ('000)*

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***		21.67	21.6	22.1	22.4	22.9	19.39	-2.1
Personal Disposable Income	$	51,300	58,600	65,900	77,400	91,400	121,800	27.5
Per Capita Income	$	2.36	2.71	2.98	3.45	3.99	6.28	33.2
Retail Sales	$	29,739	33,168	42,173	52,062	51,815	N/A	18.6
Service Sales	$	5,973	5,977	7,287	8,997	8,548	N/A	10.8
Accommodation/Food Service Sales	$	5,406	5,504	6,661	7,722	7,815	N/A	11.1
Value of Manufacturing Shipments	$	31,163	35,635	54,184	65,769	N/A	N/A	37.0
Total Manufacturing Payroll	$	5,607	8,014	10,415	9,573	N/A	N/A	23.6
Value of Building Permits Issued	$	6,748	5,463	7,100	22,905	14,566	14,354	22.5

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* TIAALTA Zone 7 comprises primarily Alberta census division 14. Since parts of census divisions 11 and 13 are also included in Zone 7, the above figures are understated, but present a general indication of the Zones's economic/demographic health.

** 1971 as base year

*** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONES 8, 13 AND 14: 1971 - 1976 ('000)*

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***		138.55	135.8	140.2	141.3	144.1	155.34	2.4
Personal Disposable Income	$	265,600	307,850	350,100	447,800	524,800	619,500	26.7
Per Capita Income	$	1.92	2.27	2.50	3.17	3.64	3.99	21.6
Retail Sales	$	184,318	222,906	268,616	362,025	438,799	N/A	34.5
Service Sales	$	17,738	19,911	25,025	28,727	33,550	N/A	22.3
Accommodation/Food Service Sales	$	15,158	17,657	22,838	25,809	29,833	N/A	24.2
Value of Manufacturing Shipments	$	71,364	95,820	125,342	155,886	N/A	N/A	39.5
Total Manufacturing Payroll	$	17,335	22,713	27,054	31,256	N/A	N/A	26.8
Value of Building Permits Issued	$	22,402	35,468	42,043	53,232	68,437	85,829	56.6

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* TIAALTA Zones 8, 13 and 14 comprise primarily Alberta census divisions 13 and 15. Since a part of census divisions 11 and 13 are included in TIAALTA Zone 14 and 7 respectively, the above figures are slightly understated, but present a general indication of the combined Zones' economic/demographic health.

** 1971 as base year

*** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONES 9 AND 12: 1971 - 1976 ('000)*

		1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***		19.78	19.6	20.5	20.9	21.6	19.9	0.1
Personal Disposable Income	$	45,700	51,200	56,700	66,600	79,700	111,100	28.6
Per Capita Income	$	2.31	2.61	2.77	3.19	3.69	5.58	28.3
Retail Sales	$	29,003	35,876	41,336	47,005	71,194	N/A	36.4
Service Sales	$	28,337	35,877	43,021	41,687	57,688	N/A	25.9
Accommodation/Food Service Sales	$	26,491	33,119	39,916	38,748	54,204	N/A	26.2
Value of Manufacturing Shipments	$	21,565	28,531	34,249	27,422	N/A	N/A	9.1
Total Manufacturing Payroll	$	5,245	6,332	7,272	6,038	N/A	N/A	5.0
Value of Building Permits Issued	$	8,596	6,653	44,660	10,317	12,735	18,752	23.6

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* TIAALTA Zones 9 and 12 comprise Alberta census division 9. Since parts of census division 9 are included in TIAALTA Zones 1 and 10, the above figures are slightly overstated, but present a general indication of the combined Zones' economic/demographic health.

** 1971 as base year

*** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONE 10: 1971 - 1976 ('000)*

	1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***	447.08	460.8	475.2	490.2	511.6	524.55	3.5
Personal Disposable Income	$ 1,493,400	1,684,050	1,874,700	2,233,600	2,710,000	3,311,300	24.3
Per Capita Income	$ 3.34	3.65	3.94	4.56	5.30	6.31	17.8
Retail Sales	$ 1,001,436	1,134,096	1,310,096	1,630,447	2,003,255	N/A	25.0
Service Sales	$ 107,773	114,174	137,858	171,410	223,193	N/A	26.8
Accommodation/Food Service Sales	$ 81,851	89,570	110,919	138,563	181,163	N/A	30.3
Value of Manufacturing Shipments	$ 589,716	674,883	829,382	1,146,932	N/A	N/A	31.5
Total Manufacturing Payroll	$ 118,064	131,853	149,452	184,857	N/A	N/A	18.9
Value of Building Permits Issued	$ 200,318	231,041	256,003	297,867	426,698	504,226	30.3

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* TIAALTA Zone 10 comprises Alberta census division 6. Since parts of census division 6 are included in TIAALTA Zones 1 and 4, the above figures are slightly overstated, but present a general indication of the Zone's economic/demographic health.

** 1971 as base year

*** Annual data as of June 1

SOURCES:

As previously stated

SELECTED ECONOMIC AND DEMOGRAPHIC INDICATORS

TIAALTA ZONE 11: 1971 - 1976 ('000)*

	1971	1972	1973	1974	1975	1976	Simple Average Annual Growth (%)**
Population***	438.15	442.97	447.84	452.77	457.75	461.36	1.1
Personal Disposable Income****	$ 1,609,800	1,792,200	1,974,600	2,299,600	2,729,200	3,437,300	22.7
Per Capita Income****	$ 3.24	3.53	3.81	4.35	5.05	6.24	18.5
Retail Sales	$ 1,007,801	1,152,983	1,352,328	1,714,396	2,094,196	N/A	27.0
Service Sales	$ 100,897	113,052	133,558	161,467	213,925	N/A	28.0
Accommodation/Food Service Sales	$ 73,608	85,764	104,359	129,229	170,235	N/A	32.8
Value of Manufacturing Shipments	$ 548,259	637,146	770,599	909,300	N/A	N/A	22.0
Total Manufacturing Payroll	$ 119,688	135,765	155,657	187,836	N/A	N/A	19.0
Value of Building Permits Issued	$ 194,725	179,945	182,079	240,155	302,334	482,741	29.6

N/A Not available (All 1976 retail/service trade and 1975 manufacturing statistics available by June 1978 from Alberta Bureau of Statistics)

* TIAALTA Zone 11 comprises Alberta census division 11. Since this zone is basically the City of Edmonton Proper, the figures for this municipality have been documented above which represent a general indication of Zone 11's economic/demographic health.

** 1971 as base year

*** Annual data as of June 1

**** Indicators pertaining to Edmonton Metropolitan Region

SOURCES:

As previously stated

APPENDIX 3

ACCOMMODATION FINANCIAL MODELS

The overall purpose of the financial models that have been developed is to provide the Department of Business Development and Tourism officials with a frame of reference with which to evaluate various proposals to construct new and expanded accommodation facilities in Alberta. In order to provide a thorough investigation of a proposed accommodation project, these financial models should be used in conjunction with the accommodation project evaluation guidelines documented in Part C of this volume.

It is worthwhile to point out that these financial models are hypothetical in nature and are based on the assumptions listed for each of the three property developments which reflect the categories and sizes of properties that we have proposed for development. While they are intended to indicate price and cost levels appropriate in Alberta, they should only be used as a guide to decision making. Each individual proposal will still have to be evaluated on the circumstances peculiar to it and will require that the individual evaluating the project carry out some basic research to determine what these are.

General Guides to Reviewing Proposals

Proposals to develop new or expanded accommodation facilities should be accompanied by estimates of revenues, expenses and profits as shown in the following financial models. They should also indicate the total expected cost of the development based on a preliminary design concept and the amount of equity the owner expects to invest.

(A) Verification of Revenues

The various revenue sources are normally calculated annually as follows:

Room Revenue =

> Number of Rooms x Number of Operating Days x Estimated Occupancy Percentage x Estimated Average Rate Per Occupied Room

Food Revenue =

> Number of Seats (in each food facility) x Average Number of Turnovers (patrons) Per Day x Number of Operating Days x Estimated Average Daily Check (for each food facility)

Beverage Revenue =

> Food Revenue (for each food facility) x An Established Percentage for Beverage Sales in Relation to Food Revenue (for facilities serving food and beverage)
>
> AND/OR
>
> Number of Seats (for each beverage facility) x Estimated Yearly Dollar Volume Per Seat (for facilities serving beverages only)

Telephone Revenue =

> Estimated Number of Occupied Room Nights x Average Telephone Revenue Per Occupied Room Night

Other Revenue =

> Varies on the basis of what additional services are provided. Normally, medium-sized hotels and motor hotels average between 0.5% and 1.5% of rooms revenue from 'other' sources

To illustrate how these can be used to verify the revenue estimates in Model 2 (50 room motor hotel), the following calculations are shown:

Room Revenue:	50 rooms x 365 days x 72% occupancy x $30.00 average room rate	= $ 394,200
Food Revenue:	Coffee Shop/Dining Room - 60 seats x 3 1/3 turnovers x 365 days x $4.55 average check	= $ 332,150

	Banquet - \$500/seat/year x 80 seats	=	40,000
	Total Estimated Food Revenue	=	\$ 372,150
Beverage Revenue:	Coffee Shop/Dining Room - \$255,500 total lunch and dinner revenue x 18% beverage percentage	=	\$ 45,990
	Banquet - \$150/seat/year x 80 seats	=	12,000
	Cocktail Lounge - 40 seats x \$1,400/ sales/seat/year	=	56,000
	Total Estimated Beverage Revenue	=	\$ 113,990
Telephone Revenue:	13,140 occupied room nights (50 rooms x 72% occupancy x 365 days) x \$1.50 per occupied room night	=	\$ 16,425
Other Income:	Approximately 1.3% of rooms revenue (394,200 x .0126)	=	\$ 5,000

In verifying estimates of room revenue, the findings of market research (primarily current occupancy and competitive pricing levels) should be consulted. In the absence of an accurate and timely reporting system for specific area occupancies, this will have to be verified by field interviews with area accommodation operators.

(B) Verification of Costs and Gross Operating Profit Levels

Having verified the revenue estimates above, typical operating cost ratios as shown for Models 1 to 3 should then be applied to determine the gross operating profit (GOP) from the proposal. The following table illustrates what we consider to be an acceptable percentage range for gross operating profits for each type of operation recommended.

Type of Operation	GOP Range
150 Room Motor Hotel	25% - 35%
50 Room Motor Hotel	20% - 30%
35 Room Motel	35% - 50%

The gross operating profit indicated in the proposal should be within the range shown above, but it should be remembered that the sales mix affects the level of gross operating profit since the various revenue sources have differing profit margins.

(C) Verification of Capital or Fixed Expenses

These expenses are composed of property and business taxes, fire insurance, rent, interest and depreciation and can vary widely among projects.

Property and business taxes are set by the municipality concerned and can be verified by checking with that local government. Normally the cost of the building, the assessed value of the land and the estimated cost of land improvements have to be known before these can be accurately calculated. The same applies for interest which is dependent on the amount of debt financing required. If the operator or owner leases the land on which the accommodation facility is being developed, then a rent calculation will also have to be included in capital expenses. Fire insurance expense can be verified by checking with an insurance agent.

As with property/business taxes and interest, depreciation cannot be calculated until the total investment in buildings and furniture, fixtures and

equipment is known. The normal method used in depreciating these assets is to use a "declining balance basis" method, whereby 5% (masonry or brick construction) of the building cost is amortized each year and 20% per year is expensed for furniture, fixtures and equipment costs.

Corporate income taxes on Alberta operations are calculated at 26% on the first $150,000 of taxable income and at 47% on the amount over $150,000.

ASSUMPTIONS USED IN FINANCIAL MODELS

	Model 1: 35 Room Year-Round Motel	Model 2: 50 Room Motor Hotel	Model 3: 150 Room Motor Hotel
Location	. located on any major highway, in or near to an urban population centre with between 2,000 and 6,000 inhabitants	. in an urban population centre with between 6,000 and 50,000 inhabitants	. in an urban population centre with 50,000 inhabitants or more
	. located near large competitive properties to receive any overflow from these	. highway location near to major intersection	. on a primary highway, preferably at the intersection of the highway and a major city access street <u>or</u> on a main street in town if easily accessible from out of town and site has some aesthetic appeal
Site	. highly visible from highway	. highly visible from highway	. highly visible from highway
	. large enough for building structure and to provide sufficient parking for guests' cars	. large enough for building structure and to provide sufficient parking for guests' cars	. large enough for building structure and to provide sufficient parking for guests' cars
			. not in proximity to objectionable industry and other features not conducive to the operation of a good quality motor hotel
Ownership and/or Management	. owner-operated	. owner-operated	. operated by a national or regional motor hotel chain
Markets	. commercial/industrial constitutes 65% of occupied room nights	. commercial/industrial constitutes 65% to 75% of occupied room nights	. commercial/industrial constitutes 60% to 70% of occupied room nights
	. tourist demand constitutes 25% of occupied room nights	. tourist demand constitutes approximately 20% to 25% of occupied room nights	. tourist demand constitutes 20% to 25% of occupied room nights

	Model 1: 35 Room Year-Round Motel	Model 2: 50 Room Motor Hotel	Model 3: 150 Room Motor Hotel
Markets (cont'd)	. other demand sources constitute 10% of occupied room nights	. other demand sources constitute the balance of occupied room nights	. meetings/convention demand and other sources constitute the balance of occupied room nights
Facilities	. 35 guest rooms - 20 twin doubles - 15 standard doubles	. 50 guest rooms - 26 twin doubles - 15 standard doubles - 5 rooms with queens and kings - 2 connecting 2 room suites	. 150 guest rooms - 90 twin doubles - 15 rooms with queens or kings - 35 standard doubles - 5 connecting 2 room suites
	. average area of bedrooms including bathrooms and closet space of 228 to 240 sq. ft.	. average area of bedrooms including bathroom and closet space of 260 to 270 sq. ft.	. average area of bedrooms including bathroom and closet space of 280 sq. ft.
	. no commercial foodservice but foodservice outlets close to motel	. all rooms have air-conditioning, wall-to-wall carpets, colour television and direct dial telephones	. all rooms have air-conditioning, wall-to-wall carpets, colour television and direct dial telephones
	. children's playground area or outdoor games area	. 60 seat combination licensed coffee shop/dining room (900 sq. ft.)	. 70 seat coffee shop (875 sq. ft.)
		. 1,000 sq. ft. of meeting/banquet areas	. 70 seat specialty restaurant (1,050 sq. ft.)
		. 40 seat cocktail lounge (600 sq. ft.)	. 150 seat cocktail/entertainment lounge or pub (2,250 sq. ft.)
		. outdoor swimming pool	. 3,000 sq. ft. of convention/meeting/banquet areas
			. indoor swimming pool
			. saunas
			. games room

	Model 1: 35 Room Year-Round Motel	Model 2: 50 Room Motor Hotel	Model 3: 150 Room Motor Hotel
Financial Assumptions	. property is in third year of operation (1982) having opened in 1979	. property is in third year of operation (1982) having opened in 1979	. property is in third year of operation (1982) having opened in 1979
	. operating ratios and profit levels are typical	. operating ratios and profit levels are typical	. operating ratios and profit levels are typical
	. motel is achieving an overall annual occupancy of 70%	. motor hotel is achieving an annual occupancy of 72%	. motor hotel is achieving an annual occupancy of 72%
			. motor hotel has been successful in achieving penetration of major room demand sources and of local food, beverage and entertainment market
	. average rate per occupied room is $26 in 1982	. average rate per occupied room is $30 in 1982	. average rate per occupied room is $32 in 1982
	Food & Beverage Revenue	Food & Beverage Revenue	Food & Beverage Revenue
	. no food and beverage revenue	. coffee shop/dining room average food check is $4.55 in 1982	. coffee shop average food check is $4.00 in 1982
		. 3 1/3 turnovers per day	. 3 1/2 turnovers per day
		. liquor revenues in coffee shop equal to 15% of lunch food revenue and 20% of dinner food revenue in 1982	. liquor revenues in coffee shop equal to 15% of lunch food revenue and 20% of dinner food revenue in 1982
			. restaurant average check is $6.50
			. liquor revenues in restaurant equal to 20% of lunch food revenue and 25% of dinner food revenue in 1982
			. 2 turnovers per day

	Model 1: 35 Room Year-Round Motel	Model 2: 50 Room Motor Hotel	Model 3: 150 Room Motor Hotel
Financial Assumptions (con't)		. banquet food revenues are $500 per seat per year and banquet liquor revenues are $150 per seat per year in 1982	. banquet food revenues are $500 per seat per year and banquet liquor revenues are $150 per seat per year in 1982
		. cocktail lounge liquor revenues are $1,400 per seat per year	. cocktail lounge liquor revenues are $1,400 per seat per year
	. other income (net) is $1,000 in 1982	. other income (net) is $5,000 in 1982	. other income (net) is $10,000 in 1982
	. total capital cost per available room, including land was $17,500 in 1979	. total capital cost per available room, including land was $32,000 in 1979	. total capital cost per available room, including land was $35,000 in 1979
	. owner has 25% equity in total capital cost, i.e. $153,125	. owner has 30% equity in total capital cost, i.e. approximately $480,000	. owner has 30% equity in total capital cost, i.e. $1,575,000
	. owner has mortgage at an interest rate of 13%	. owner has mortgage at an interest rate of 12.5%	. owner has a mortgage at an interest rate of 12%

MODEL I

35 ROOM MOTEL OPEN YEAR-ROUND

PRO FORMA STATEMENT OF INCOME AND EXPENSES

THIRD FULL YEAR OF OPERATION - 1982

Overall Average Occupancy: 70%

Average Rate Per Occupied Room: $26.00

Total Investment: $612,500
Owners' Equity: 25%
Mortgage Interest Rate: 13%

Gross Revenue		
Rooms	$ 232,505	95.9
Telephone	8,943	3.7
Other Income (Net)	1,000	0.4
Total Revenue	$ 242,448	100.0
Departmental Expenses*		
Rooms	58,126	25.0
Telephone	9,837	110.0
Total Departmental Expenses	$ 67,963	28.0
Gross Operating Income	$ 174,485	72.0
Undistributed Operating Expenses		
Administrative & General	21,820	9.0
Marketing	7,273	3.0
Property Operation & Maintenance	15,750	6.5
Energy Costs	17,500	7.2
Total Undistributed Operating Expenses	$ 62,343	25.7
Gross Operating Profit	$ 112,142	46.3

* Percentage figures are compared to total revenue except for departmental expenses which are related to their respective departmental revenues.

Capital Expenses		
Property & Business Taxes	13,125	5.4
Insurance on Building & Contents	4,375	1.8
Interest	59,719	24.6
Total Capital Expenses	$ 77,219	31.8
Profit Before Depreciation	$ 34,923	14.5
Depreciation	54,000	22.3
Profit (Loss) Before Income Taxes	$ (19,077)	(7.9)
Income Taxes	0	0
Net Profit (Loss)**	$ (19,077)	(7.9)

** Despite the net loss recorded in this motel pro forma statement, it should be acknowledged that depreciation is a non-cash item which when added back to the net loss figure provides the project model with a positive cash flow of $34,923 (i.e. $54,000—$19,077) - that amount available for working capital and future expansions/renovations. This financial situation is quite typical in the early years of an accommodation facility's useful life considering the heavy investment in fixed assets.

MODEL 2

50 ROOM MOTOR HOTEL OPEN YEAR-ROUND

PRO FORMA STATEMENT OF INCOME AND EXPENSES

THIRD FULL YEAR OF OPERATION - 1982

Overall Average Occupancy: 72%

Average Rate Per Occupied Room: $30.00

Total Investment: $1,600,000
Owners' Equity: 30%
Mortgage Interest Rate: 12.5%

Gross Revenue		
Rooms	$ 394,200	43.7
Food	372,150	41.3
Beverages	113,990	12.6
Telephone	16,425	1.8
Other Income (Net)	5,000	0.6
Total Revenue	$ 901,765	100.0
Departmental Expenses*		
Rooms	110,376	28.0
Food	312,606	84.0
Beverages	68,394	60.0
Telephone	18,900	115.0
Total Departmental Expenses	$ 510,276	56.6
Gross Operating Income	$ 391,489	43.4
Undistributed Operating Expenses		
Administrative & General	67,632	7.5
Marketing	27,053	3.0
Guest Entertainment	4,509	0.5
Property Operation & Maintenance	35,000	3.9
Energy costs	40,000	4.4
Total Undistributed Operating Expenses	$ 174,194	19.3
Gross Operating Profit	$ 217,295	24.1

* Percentage figures are compared to total revenue except for departmental expenses which are related to their respective departmental revenues.

Capital Expenses		
Property & Business Taxes	$ 42,500	4.7
Insurance on Building & Contents	10,000	1.1
Interest	140,000	15.5
Total Capital Expenses	$ 192,500	21.3
Profit Before Depreciation	$ 24,795	2.8
Depreciation	$ 128,000	14.2
Profit (Loss) Before Income Taxes	$ (103,205)	(11.4)
Income Taxes	0	0
Net Profit (Loss)**	$ (103,205)	(11.4)

** Despite the net loss recorded in this motor hotel pro forma statement, it should be acknowledged that depreciation is a non-cash item which when added back to the net loss figure provides the project model with a positive cash flow of $24,795 (i.e. $128,000 - $103,205) - that amount available for working capital and future expansions/renovations. This financial situation is quite typical in the early years of an accommodation facility's useful life considering the heavy investment in fixed assets.

MODEL 3

150 ROOM MOTOR HOTEL OPEN YEAR-ROUND

PRO FORMA STATEMENT OF INCOME AND EXPENSES

THIRD FULL YEAR OF OPERATION - 1982

Overall Average Occupancy: 72%

Average Rate Per Occupied Room: $32.00

Total Investment: $5,250,000
Owners' Equity: 30%
Mortgage Interest Rate: 12%

Gross Revenue		
Rooms	$ 1,261,440	51.2
Food	771,199	31.3
Beverages	361,758	14.7
Telephone	59,130	2.4
Other Income (Net)	10,000	0.4
Total Revenue	$ 2,463,527	100.0
Departmental Expenses*		
Rooms	340,589	27.0
Food	632,383	82.0
Beverages	217,055	60.0
Telephone	65,043	110.0
Total Departmental Expenses	$ 1,255,070	51.0
Gross Operating Income	$ 1,208,457	49.0
Undistributed Operating Expenses		
Administrative & General	160,129	6.5
Management Fees	36,000	1.5
Marketing	73,906	3.0
Franchise Fees	37,843	1.5
Guest Entertainment	12,318	0.5
Property Operation & Maintenance	97,500	3.9
Energy Costs	120,000	4.9
Total Undistributed Operating Expenses	$ 537,696	21.8
Gross Operating Profit	$ 670,761	27.2

* Percentage figures are compared to total revenue except for departmental expenses which are related to their respective departmental revenues.

Capital Expenses		
Property & Business Taxes	$ 135,000	5.5
Insurance on Building & Contents	22,500	0.9
Interest	441,000	17.9
Total Capital Expenses	$ 598,500	24.3
Profit Before Depreciation	$ 72,261	2.9
Depreciation	$ 386,715	15.7
Profit (Loss) Before Income Taxes	$ (314,454)	(12.8)
Income Taxes	0	0
Net Profit (Loss)**	$ (314,454)	(12.8)

** Despite the net loss recorded in this motor hotel pro forma statement, it should be acknowledged that depreciation is a non-cash item which when added back to the net loss figure provides the project model with a positive cash flow of $72,261 (i.e. $386,715 - $314,454) -- that amount available for working capital and future expansions/renovations. This financial situation is quite typical in the early years of an accommodation facility's useful life considering the heavy investment in fixed assets.

Category

- a type of fixed accommodation available in Alberta according to structure and, when indicated, by function. Categories of accommodation isolated in this study included hotels, motels, motor hotels, lodges, cabin/bungalows, guest/tourist homes, youth hostels, YMCA/-YWCAs, vacation farm/dude ranches, hunting/fishing and trail riding outfitters.

Census Division

- a geographical unit of a given portion of population of which fifteen are designated for the Province of Alberta.

Chain Accommodation

- a group of individual lodging properties owned by the same firm and promoted under one brand name.

Eastern Slopes

- a special region within the Province of Alberta which embraces five river basin areas that are located on the leeward side of the Rocky Mountain Cordillera. This region comprises areas that are part of TIAALTA Zones 1, 4, 7 and 10.

Economic Occupancy Percentage

- a required level of occupied rooms in an accommodation facility that enables it to generate sufficient cash flow to cover all costs and to produce satisfactory profits.

Excursionist

- temporary visitor staying less than 24 hours in a country or region visited and includes cruise travellers by United Nations/World Tourism Organization definition.

Franchise Group

- a group of independent accommodation properties tied together under a franchise name offering reservation/referral services as well as a variety of promotional and operational benefits (i.e. national/regional advertising and publicity, brand identification/reputation, marketing guidance, sales training, etc.)

Government Demand

- refers to accommodation generated by government personnel (i.e. politicians and assistants thereto, military forces and supporting civil service) from federal, provincial and local levels.

Gross Operating Profit

- defined as profits after all operating expenses (direct departmental and overhead) but before all occupancy and capital costs. Occupancy costs include rent, municipal taxes, real estate taxes, fire insurance, depreciation, while capital costs are reflected in interest expense. Income taxes are also excluded from this profitability figure.

Group Meetings and Convention Demand

- refers to accommodation generated as a result of the hosting of conventions, meetings, sales seminars or any other group meetings.

Guest Origin

- a term used to describe where customers or guests of accommodation establishments have their usual place of residence. Four types of permanent residency were designated in this study, i.e. Alberta, other Canadian provinces, U.S.A. and other foreign countries.

Guest/Tourist Home

- typically a converted private home operating similar to a small hotel, but without a license to sell alcoholic beverages and not to be confused with overflow accommodation sometimes available in private homes during special events.

Hotel

- commercial establishment in which lodging units are accessible from the interior through a central lobby. On site parking and the sale of food and/or alcoholic beverages are not necessarily provided.

Hunting/Fishing and Trail Riding Outfitter

- commercial establishment providing lodging, usually in the form of cabins or lodges, primarily for people hunting and fishing. Usually divided into two subtypes - drive-in and fly-in/boat-in/trail ride (no road access).

Industrial-Commercial Demand

- refers to demand for accommodation generated directly or indirectly by the commercial or industrial sectors and for purposes of this study, also includes the demand for accommodation from work crews (oil/natural gas and other extractive industries, seismographic, construction, power and telephone, etc.). Specific users of accommodation that would be included in this sector would be commercial travellers servicing retail establishments in an area, sales or service representatives calling on local industry, sales personnel or executives of local industrial concerns visiting the area and any other type of demand that is generated directly or indirectly by industrial, commercial or retail establishments located within an area.

Infrastructure
- consists of all underground and surface construction such as water supply systems, sewage disposal systems, natural or artificial gas lines, electrical and communication systems, drainage systems, other constructed facilities such as highways, roads, parking lots, parks, night lighting, airport runways, access drives, marinas, dock facilities, bus and train station facilities and similar tourist-service installations.

Internal Rate of Return Method
- a superior financial analysis method that is used to evaluate the economic feasibility of an accommodation project. This method incorporates the concept of present value by discounting the values of future cash flows. The internal rate is that rate which when applied to a future cash flow stream exactly equates to the original equity invested. This rate is equal to the percentage earned on the equity capital invested in each year of the life of the project after allowing for the repayment of the sum originally invested.

Legal Form of Organization
- a legal entity of which three types were designated in this study, i.e. individual proprietorship, partnership and incorporated company (Statistics Canada).

Lodge - commercial establishment outside large urban areas, operating primarily on the American Plan in which the facilities include foodservice and accommodation in a central building and/or other outbuildings for additional lodging and/or the provision of one or more outdoor recreational activities within the grounds.

Market Occupancy Percentage
- number of rooms sold in an accommodation facility divided by the number of rooms available and is usually expressed on a monthly or yearly basis.

Market Value
- current selling price of an accommodation facility taking in consideration cost, goodwill and cash flows.

Motel - commercial establishment in which lodging units are normally accessible from the exterior and in which the majority of units are in groups of three or more under one roof with on site parking provided.

Motor Hotel
- commercial establishment in which the access to lodging units is typically neither completely from the interior only nor from the exterior only and in which the units are in groups of three or more under one roof. Normally accessible through a central lobby with on site parking and the sale of food and alcoholic beverages provided.

Multiple Occupancy Factor (also called double occupancy percentage)

- ratio of the proportion of rooms sold which are occupied by more than one person and is expressed as an average number of guests per room. This ratio is an important indication of profitable use of accommodation assets because room rates increase with an increased number of occupants.

Net Profit (also called profit after tax)

- defined as profits after all operating expenses, occupancy and capital costs and income taxes.

Non-Approved Accommodation Establishments

- a term used in this study to designate those accommodation properties that may have been inspected for basic standards of cleanliness, comfort and construction and found lacking, or refused to participate and consequently were not approved by the Alberta Department of Business Development and Tourism (Travel Alberta).

Operating Efficiency Ratio (also called gross operating profit ratio)

- represents the percentage relationship of gross operating profit to total revenue and is one measure of managerial operating performance.

Other Demand

- in this study, refers to any form of accommodation generated primarily by permanent guests and transients looking for employment.

Other Revenue

- sundry income from various sources such as monies from vending machines, profit from merchandise sales (post cards, souveniers, periodicals), commission on guest laundry, valet, etc.

Overhead Expenses (also called undistributed operating expenses or deductions from income)

- refers to expenses which cannot be allocable to individual operating departments within an accommodation facility. These expenses included primarily administrative and general expenses, advertising and promotion (marketing), heat, light and power (energy) and repairs and maintenance.

Ownership Residency

- a term used to describe where owners and/or corporate headquarters of accommodation establishments are located. Three types of residency were designated in this study, i.e. Alberta, other Canadian provinces and foreign countries.

Payback Method

- a financial analysis method that is used to evaluate the economic feasibility of an accommodation project. It calculates the time required for a project to repay the original equity capital investment. The payback period is calculated by dividing the equity capital by the estimated annual cash flows.

Profit Margin

- ratio that expresses the relationship between net profit and total revenue. It is the most common measure of operating profitability since it presents the record of annual performance expressed as a rate of return on sales.

Pro Forma Statement

- a term used for a financial statement (i.e. typically a balance sheet or income statement) that treats hypothetical events as though they had actually taken place by using projected data based on current information.

Rate of Return on Owners' Equity

- measures the adequacy of the profits from operations in providing a return on the total owners' investment in a business. This ratio expresses the percentage relationship between net profit and the owners' cumulative equity.

Referral Group

- a federation of independent accommodation properties tied together through one or more reservation systems.

Region - a geographical unit designated in this study as follows:

1 Northern Alberta = TIAALTA Zones 6, 7, 8, 13 and 14
2 City of Edmonton = TIAALTA Zone 11
3 Central Alberta = TIAALTA Zones 3, 4 and 5
4 Banff-Jasper National Parks = TIAALTA Zones 9 and 12
5 Calgary & District = TIAALTA Zone 10
6 Southern Alberta = TIAALTA Zones 1 and 2

Rural Location

- centres under 10,000 population (1976: Alberta Treasury Bureau of Statistics).

Seasonality

- a term that describes those accommodation facilities that are seasonal (i.e. operations open less than 10 months a year) or year-round (i.e. operations open more than 10 months a year) by Statistics Canada definition. In addition, four distinct seasons have been designated in this study according to number of days available, i.e. Winter: 121 days (December 1 - March 31), Spring: 76 days (April 1 - June 15), Summer: 92 days (June 16 - September 15) and Fall: 76 days (September 16 - November 30).

Size Range

- an accommodation unit size grouping as follows: 0-9rooms, 10-24, 25-49, 50-75, 76-199, 200-499, 500+ (Statistics Canada).

Stratified Random Sampling

- a statistical sampling method employed in this study whereby a population or universe (in this case, all fixed accommodation establishments in Alberta) was stratified with respect to one or more dimensions (TIAALTA zone, category and number of rooms) and then a random selection made within each strata based on its respective size to the universe and the known sample quota required.

Superstructure

- consists of above ground facilities such as airport buildings, passenger traffic terminals, resorts, hotels, motels, other varieties of lodging, restaurants, shopping centres, places of entertainment, museums, stores and similar structures.

TIAALTA Zone

- a travel industry association zone defined for fourteen areas comprising the Province of Alberta.

Tourism Demand

- refers to accommodation demand generated by non-business visitors to an area, including those visiting relatives or friends and on vacation. This is also related as the pleasure or personal travel market.

Tourism Industry

- a term used loosely to cover a heterogeneous group of commercial operations in the business of attracting visitors and serving them (i.e. accommodation, food and beverage services, recreation services, retail trade, transportation, events and attractions, miscellaneous, etc.). The industry's most singular characteristic is that it can only produce and sell its services in strictly predetermined geographical locations to which tourists travel. Simply, the product does not travel to the consumer but rather the latter travels to the former.

Tourist - temporary visitor staying at least 24 hours but less than 1 year in a country or region visited with the purpose of travel being either pleasure (i.e. recreation, holiday, health, education, religion and sport) or business (i.e. family, missions and meetings) except diplomats, military personnel and enrolled students by United Nations/World Tourism Organization definition.

Urban Location

- centres over 10,000 population (1976: Alberta Treasury Bureau of Statistics); those communities in Alberta being City of Calgary, City of Edmonton, Lethbridge, Medicine Hat, Red Deer, St. Albert, Grande Prairie, Fort McMurray and Lloydminster.

Vacation Farm/Dude Ranch

- commercial establishment providing lodging primarily in a farm house or separate bunkhouse for people engaged in a specific recreational activity, in this case, farm/ranch chores, horseback riding, etc. Usually divided into two subtypes of which vacation farms/ranches' primary occupations are farming and ranching with some catering to visitors, while dude/guest ranches' primary occupation is catering to visitors to the ranch.

Visitor - for statistical purposes describes any person visiting a country or region thereof other than that in which he/she has his/her usual place of residence, for any reason other than exercising an occupation remunerated from within the area visited. This term covers both tourists and excursionists but excludes travellers who do not legally enter an area (e.g. air travellers who do not leave an airport's transit area or analogous cases) by United Nations/World Tourism Organization definition.

YMCA/YWCA

- non-profit private establishment providing inexpensive accommodation for transients.

Youth Hostel

- non-profit private establishment providing a low cost and rustic type of lodging, particularly for young people.

APPENDIX 6

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ALBERTA ACCOMMODATION STUDY

OPERATOR QUESTIONNAIRE

Establishment Name ______________________________

Address ______________________________

____

Telephone ______________________________

Owner/Operator ______________________________

Interviewed/Title ______________________________

Accountant ______________________________

VOLUME I: INDUSTRY DEFINITION

STRUCTURE

A. Region

Northern Alberta	1	Banff-Jasper National Parks	4
Edmonton	2	Calgary	5
Central Alberta	3	Southern Alberta	6

B. Zone

Land of Big Blue Sky	1	Land of Mighty Peace	8
Gateway	2	Jasper Park	9
Big Country	3	Calgary & District	10
Land of David Thompson	4	City of Edmonton	11
Battle River	5	Banff/Lake Louise	12
The Lakeland	6	Game Country	13
The Evergreen	7	Land of Midnight Twilight	14

Office Use Only:

Region	Zone	Census	Category	Size	Legal Form	Location	Seasonality	Establishment	Number	

C. Census Division

1	9
2	10
3	11
4	12
5	13
6	14
7	15
8	

D. Category

Hotel	1	Cabins/Bungalows	5
Motel	2	Tourist Home	
Motor Hotel	3	Other (Specify)	
Lodge	4	______________	

E. Size

0 - 9	1	76 - 199	5
10 - 24	2	200 - 499	6
25 - 49	3	500 +	7
50 - 75	4		

F. Legal Form of Organization

Individual Proprietorship	1	Incorporated Company	3
Partnership	2	Other (Specify)	4
		______________	

G. Location

Rural	1	Urban	2

H. Seasonality

Year Round	1	Seasonal	2

If seasonal operation:

Opening Date ________ Closing Date ________

I. Number of Unit Types

Total	(1)		Housekeeping Cabins	(5)	
Non-Housekeeping Rooms	(2)		Campgrounds		
Housekeeping Rooms	(3)		Other (Specify)		
Non-housekeeping Cabins	(4)		______________		

J. Number of Units Available

Annual Total	(1)		July	(8)	
Jan.	(2)		Aug.	(9)	
Feb.	(3)		Sept.	(10)	
Mar.	(4)		Oct.	(11)	
Apr.	(5)		Nov.	(12)	
May	(6)		Dec.	(13)	
June	(7)				

K. Investment

	Construction	Units	Other (describe)	Year
Original				
Addition (s)				

L. Length of Ownership — Number of Years/Mos. (1) ______

M. Type of Ownership/ Management

	Code	Name
Owner-operated	1	
Owner-operated (referral group)	2	
Owner-operated (franchise chain)	3	
Chain-operated and owned	4	
Chain property under lease/ mgmt. contract	5	

N. Ownership Residence

Alberta	1
Other Canadian Provinces	2
Foreign	3

O. Food and Beverage Service

No Food Service 1 — No Beverage Service 2

	Number	Seating Capacity		Unlicensed	Licensed
Dining Room/ Restaurant				3	4
Coffee Shop/ Snack Bar				5	6
Cocktail Lounge/ Bar					7
Tavern					8
Cabaret ______					9
Other (Specify) ______					
Meeting Room				10	11
Banquet Room				12	13

P. Other Services

Telephone in Rooms		Colour/B.W. T.V.	
Gas Station		Office Space Rental	
Newsstand/Confectionery		Grocery Outlet	
Guest Valet/Laundry		Room Service (food/bev.)	
Gift Shop		Marina	
Parking (indoor/outdoor)		Air conditioning	

Q. Recreation

Indoor/Outdoor Pool		Health Facilities	
Boating/Sailing		Hunting	
Water Fishing		Tennis Courts	
Winter Skiing (downhill/ crosscountry)		Golf Course	
Skating/tobagganing		Snowmobile Trails	
Sports Instructions		Swimming Beach	
Picnic Facilities		Guide Services	
Curling Rink		Hiking Trails	
Water Skiing		Riding Stables	

R. Number of Staff

Minimum (full-time)	(1)	
Maximum (full-time and part-time)	(2)	

S. Trade/Travel Association Membership

AHA	1	AMA/CAA	4
MAA	2	Other (Specify)	
TIAALTA	3	________________	

PERFORMANCE

A. Current Room/ Unit Rates

	Min.	Max.
Single	$	$
Double	$	$

B. Fiscal Year End Mo./Day

C. Annual Occupancy

1976	(1)	%
1975	(2)	%
1974	(3)	%

D. Seasonal Occupancy (1976)

Winter	(1)	%
Spring	(2)	%
Summer	(3)	%
Fall	(4)	%

E. Number of Guests and Origin (1976)

Total Guests	(1)	%
Alberta	(2)	%
Other Can. Pro.	(3)	%
U.S.A.	(4)	%
Other	(5)	%
		100%

F. Total Revenue by Departments

Room	(1)	$
Food & Bev.	(2)	$
Other	(3)	$
Total	(4)	$

G. Total Payroll Expenses (1976) (1) $

% increase from 1975 %

H. Gross Operating Profit

1976	(1)	$
1975	(2)	$
1974	(3)	$

I. Net Profit After Income Taxes

1976	(1)	$
1975	(2)	$
1974	(3)	$

J. Owner's Equity

1976	(1)	$
1975	(2)	$
1974	(3)	$

K. Taxes Paid (1976) (1) $

% increase from 1975 %

L. Sources of Room Demand

		1976	% Growth 1975 to 1976
Commercial-industrial	(1)	%	%
Tourism	(2)	%	%
Convention - meetings	(3)	%	%
Government	(4)	%	%
Other (Specify)	(5)	%	%
________________		100%	

Do you ever have to turn down potential bookings due to unavailability of rooms?

____

When? (months, seasons) ______________________________

Estimate of volume of turnaways (month, year) ______________________

____

M. Convention - Meeting Demand

How many meetings/conventions per month/year? ______________

Average size ______________________________

Banquet room usage per month/year ______________________

Estimate of volume of turnaways due to lack of space and/or unavailability ________

____

DEVELOPMENT OPPORTUNITIES

Area Potential

A. What is the primary purpose for travellers visiting your immediate area?

Business/Conventions ☐

Pleasure ☐
- ☐ Visit Friends & Relatives
- ☐ Sightseeing & Entertainment
- ☐ Outdoor Recreation

Attractions (Specify) ______________

Events (Specify) ______________

Other ☐ (Specify) ______________

Passing through ☐

B. Do you feel that there is potential for further accommodation development (either new plant or expansion in your area? ______________________

If no, why?

Over supply ☐

Lack of new demand ☐

Other ☐ (Specify) ______________

If yes, why?

New industrial-commercial developments ☐ (Specify) ____________________

____

Developments of Attractions and Events ☐ (Specify) ____________________

____

Transportation Improvements ☐ (Specify) ____________________

____

Other ☐ (Specify) ____________________

____

Type of accommodation facility perceived to satisfy new demand.

____

____

Why?

____

____

____

____

Establishment Potential

C. What is the primary reason why travellers stay at your establishment?

☐ Proximity to Visitors Destination
☐ Price
☐ Special Facility
☐ Cleanliness/Courtesy
☐ Other (Specify) ____________________

D. What percentage of your business is repeat? ☐ %

E. What is the average length of stay of your guests?

☐ 1 night ☐ 3 or more nights
☐ 2 nights

F. Have you considered expanding or renovating your property? ____________________

____

Any problems? ____________________

____

Availability of loans ____________________

____

Availability of land ____________________

____

Additions Physically Feasible ____________________

____

____

Consultant's comments on Quality Standards (cleanliness, maintenance, etc.)

____

____

____

____

____

Would you consider again if government support was available other than what is now provided?

____

____

____

____

____

VOLUME 2: INDUSTRY ANALYSIS

POLICIES AND PRACTICES

Marketing

A. Does your establishment develop and actively utilize a marketing plan in its operations?

____

____

____

____

____

B. How do you set your room rates?

Intuitive	☐	______________________
Competitive	☐	______________________
Follow the Leader	☐	______________________
Trial and Error	☐	______________________
Psychological Pricing	☐	______________________
Target Pricing	☐	______________________
Rate Reduction	☐	______________________

C. What pricing structures do you presently employ?

European Plan	☐	
American Plan	☐	
Modified American Plan	☐	
Corporate/Government	☐	
Discount Rates	☐	
Group Travel Rates	☐	
Other	☐	(Specify) ______________

D. On an annual basis, how much do you spend approximately on advertising and promotion?

$ ______ % of Total Revenue ______

E. What types of advertising media are most commonly used?

No advertising ☐

Direct Mailings ☐ ______

In-House/external signs and displays ☐ ______

Newspapers ☐ ______

Magazines ☐ ______

Radio ☐ ______

Television ☐

F. Have you utilized the travel trade in supplementing your selling efforts?

______

______

Why?

______

______

What percentage of your business is derived from travel trade? ______ %

G. Have you ever employed special promotions (i.e. packages, special services, small meeting/ seminar)?

______

______

______

______

______

H. Have you ever been involved in some sort of co-operative advertising?

______

Beneficial?

______

______

______

I. Do you refer business to other properties? Which ones?

______

______

______

Personnel

A. Does your property provide continuous on-the-job training? ______________________

If so, what areas of operation? ____

____

____

____

B. Do you allow time or monies for staff to improve skills in outside institutions or attend hospitality seminars? If so, what employee levels? ______________________________

____

____

Do you feel that these institutional courses/hospitality seminars are beneficial?

____

____

It not, what type of action and/or program is needed to improve employee productivity?

____

____

C. Does your property utilize formal job analyses? ______________________________

- Organization Chart ☐ ______________________________
- Job Descriptions ☐ ______________________________
- Job Specifications ☐ ______________________________
- Job Evaluations ☐ ______________________________

D. What system of staff scheduling do you employ?

- Irregular ☐
- Split-shift ☐
- Part-time ☐
- Other ☐ (Specify) ______________________________

____

____

____

____

Accounting/Control

A. Does your property have income and expense accounts conforming to an accommodation industry standardized accounting system? ______________________________________

____

____

____

____

B. Do you utilize an internal control system? ______________________

Asset Control	
Consumption	
Revenue	
Cost	

C. Does your property have a complete management information system? ____________

Uniform Accounting	
Cost Control	
Mgr's Daily Report	
Labour Analysis	

Repairs and Maintenance

A. Do you carry on a program of preventive maintenance on a prearranged time schedule?

B. On an annual basis, how much do you spend approximately on repairs and maintenance?

$ % of Total Revenue %

C. Do you have staff assigned solely to this activity?

D. Do you use labour reports that analyze time required and cost of materials to perform certain repair & maintenance jobs? ______________________

E. How often do you change furniture, fixtures and equipment? (approximate number of years)?

F. How much did you lose last year in respect to pilfering and vandalism?

$

Government Assistance Programs

A. Has your property ever taken advantage of any provincial/federal government financial or technical assistance?

ISSUES AND PROBLEMS

A. In your opinion, do you feel that the following list of suggested problems affecting the Alberta accommodation industry is complete? If so, in what order of priority would you assign them for immediate action?

Manpower	
Financing	
Seasonality	
Productivity	
Unrealistic Property Purchase Prices	
Increasing Costs of Operation	
High Turnover of Properties	
Pricing	
Other (Specify) ______________	

Discuss 2 - 3 major problem areas that are of most concern to operator.

B. How could these problems be alleviated or solved by the private operator, trade associations, or government?

C. What are your opinions on the following issues? Are there other issues affecting the accommodation industry that should be mentioned?

Labour Relations/Unions	
Establishment of Industry Standards or Rating System	
Regulatory/Legislative Factors	
Effect of Size on Efficiency and Profitability	
Other Issues Identified by Operator	

Comments on recent trends in industry.

BUSINESS DEVELOPMENT
AND TOURISM